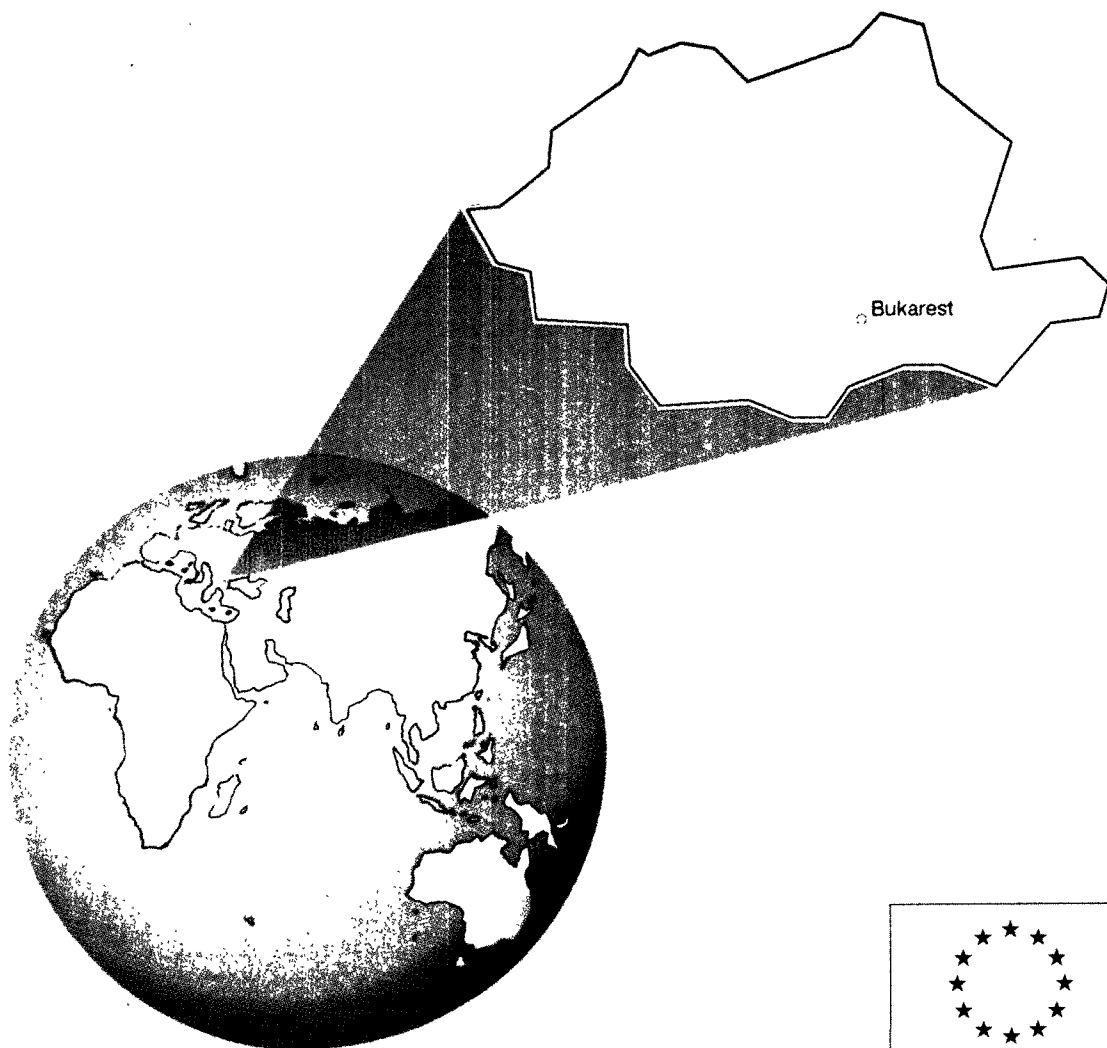


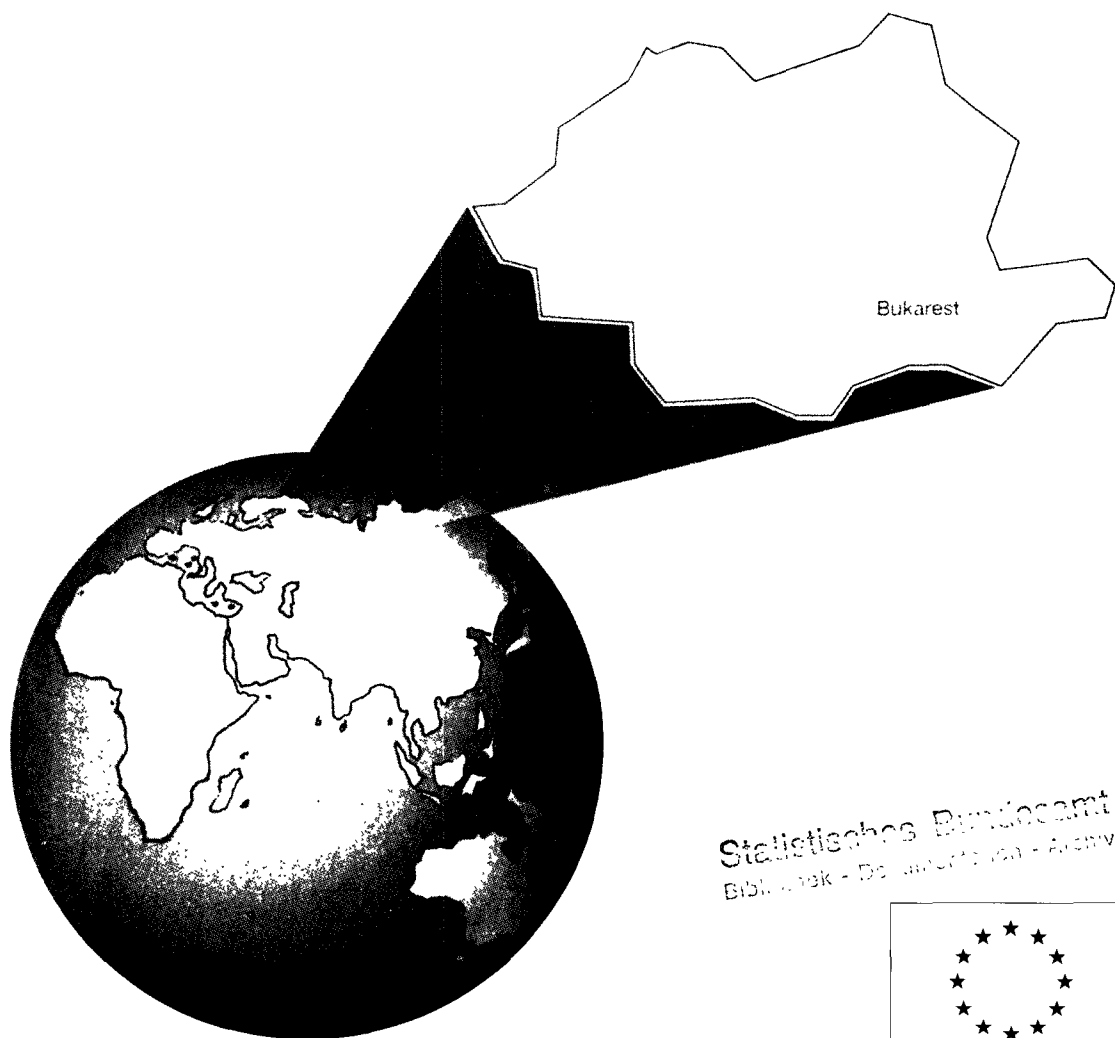
Country profile

Romania 1995



Country profile

Romania 1995



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EXPLANATION OF SYMBOLS

0	=	Less than 0.5 and more than zero
-	=	Magnitude zero
	=	General break in the series affecting comparison over time
.	=	Figure unknown
x	=	Tabular group blocked because information is not meaningful

SELECTED INTERNATIONAL WEIGHTS AND MEASURES

1 inch (in)	=	2.540 cm
1 foot (ft)	=	0.305 m
1 yard (yd)	=	0.914 m
1 mile (mi)	=	1.609 km
1 acre (ac)	=	4,047 m ²
1 cubic foot (ft ³)	=	28.317 dm ³
1 gallon (gal.)	=	3.785 l
1 imperial gallon (imp. gal.)	=	4.546 l
1 barrel (bl.)	=	158.983 l
1 ounce (oz)	=	28.350 g
1 troy ounce (troy oz)	=	31.103 g
1 pound (lb)	=	453.592 g
1 short ton (sh t)	=	0.907 t
1 long ton (l t)	=	1.016 t

GENERAL ABBREVIATIONS*

g	= gram	kWh	= kilowatt-hour (10 ³ Watt-hour)
kg	= kilogram	MW	= megawatt (10 ⁶ Watt-hour)
dt	= quintal (100 kg)	MWh	= megawatt-hour (10 ⁶ Watt-hour)
t	= tonne (1,000 kg)	GW	= gigawatt (10 ⁹ Watt)
tkm	= tonne-kilometre	GWh	= gigawatt-hour (10 ⁹ Watt-hour)
mm	= millimetre	p	= piece
cm	= centimetre	P	= pair
m	= metre	Mill.	= million
km	= kilometre	Mrd.	= thousand million (USA: billion)
m ²	= square metre	Bill.	= billion (USA: trillion)
m ³	= cubic metre	GRT	= gross tonnage
ha	= hectare (10,000 m ²)	NRT	= net tonnage
km ²	= square kilometre	tdw	= tonnes dead- weight (t = 1,016.05 kg)
l	= litre	l	= leu
hl	= hectolitre (100 l)	cif	= cost, insurance, freight included
By	= beginning of year	fob	= free on board
My	= mid-year	SZR	= Special Drawing Rights
Ey	= end of year	US-\$	= U.S. dollar
Ya	= year average	DM	= Deutsche Mark
h	= hour		
Q	= quarter		
Hy	= half-year		
A	= average		
Ma	= monthly average		
kW	= kilowatt (10 ³ Watt)		

*) Special abbreviations are allocated to the respective sections. With only a few exceptions, provisional, revised and estimated figures are not marked as such. Detail may not add to total because of rounding.

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FOREWORD

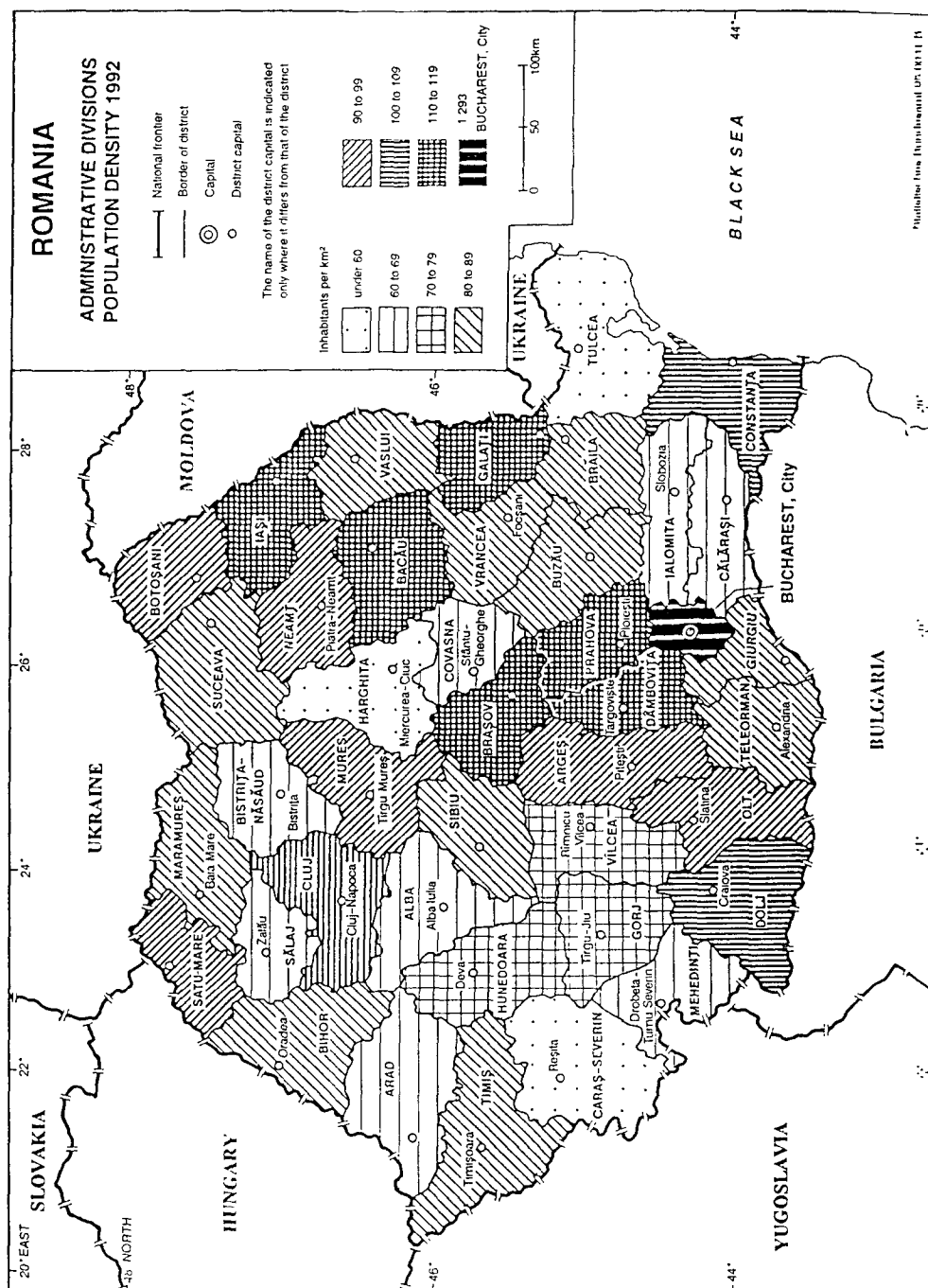
The country profiles published in the "Statistik des Auslandes" series contain a compilation of statistical data on the demographic and, more particularly, economic structure and development of individual countries, based on statistical publications produced by both the countries concerned and international organizations. The most important sources are given at the end of the report.

The statistical methods and classifications of the former socialist countries are still, in many cases, different from those commonly used elsewhere, and this makes it difficult, or even impossible, to compare existing data. A detailed discussion of this problem is outside the scope of this publication.

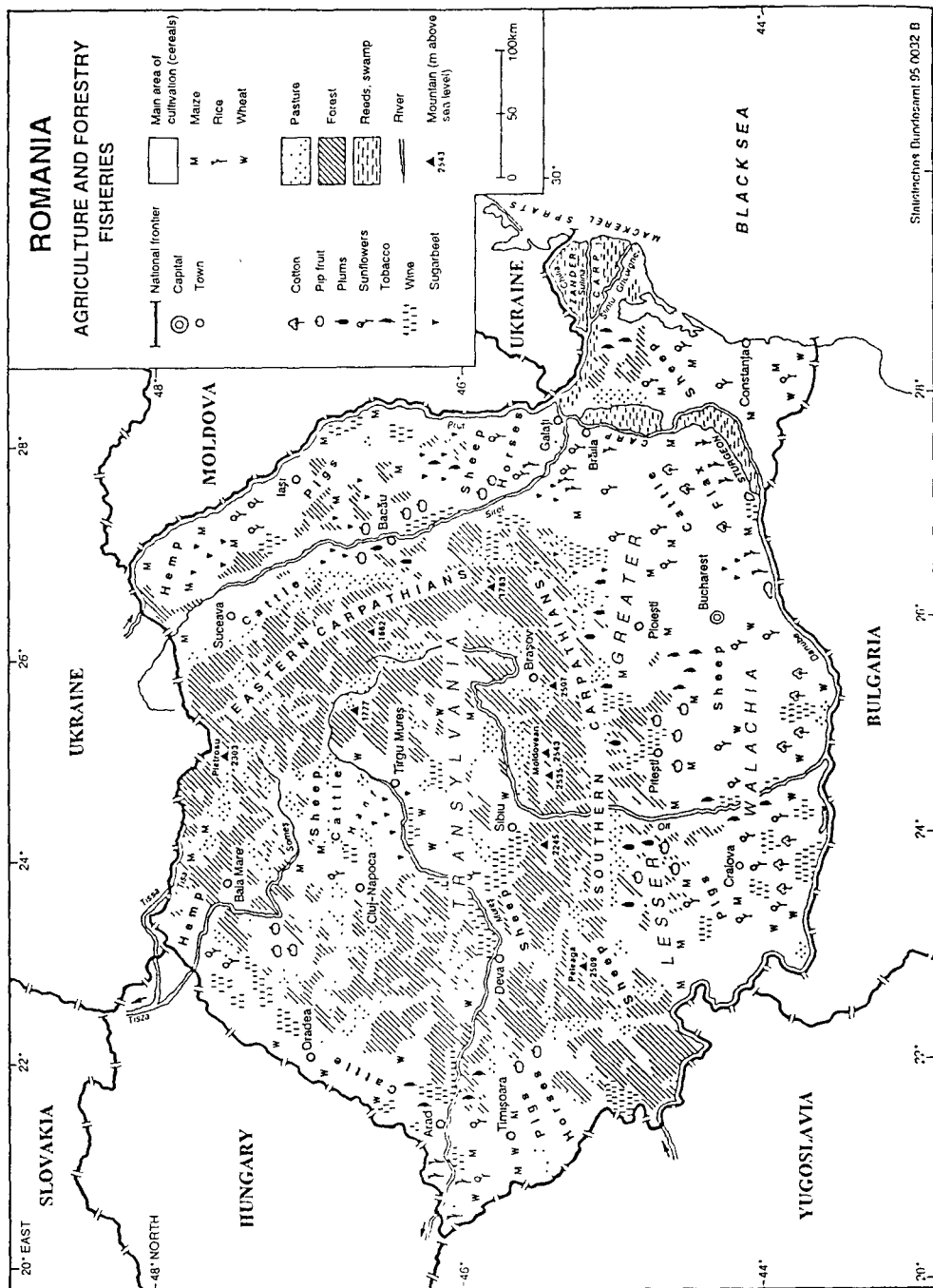
The original publications held by the Statistisches Bundesamt, Wiesbaden and the Information Service of its Berlin branch are available to those users who need the figures in a more detailed breakdown by subject or over time or further information on methodological questions.

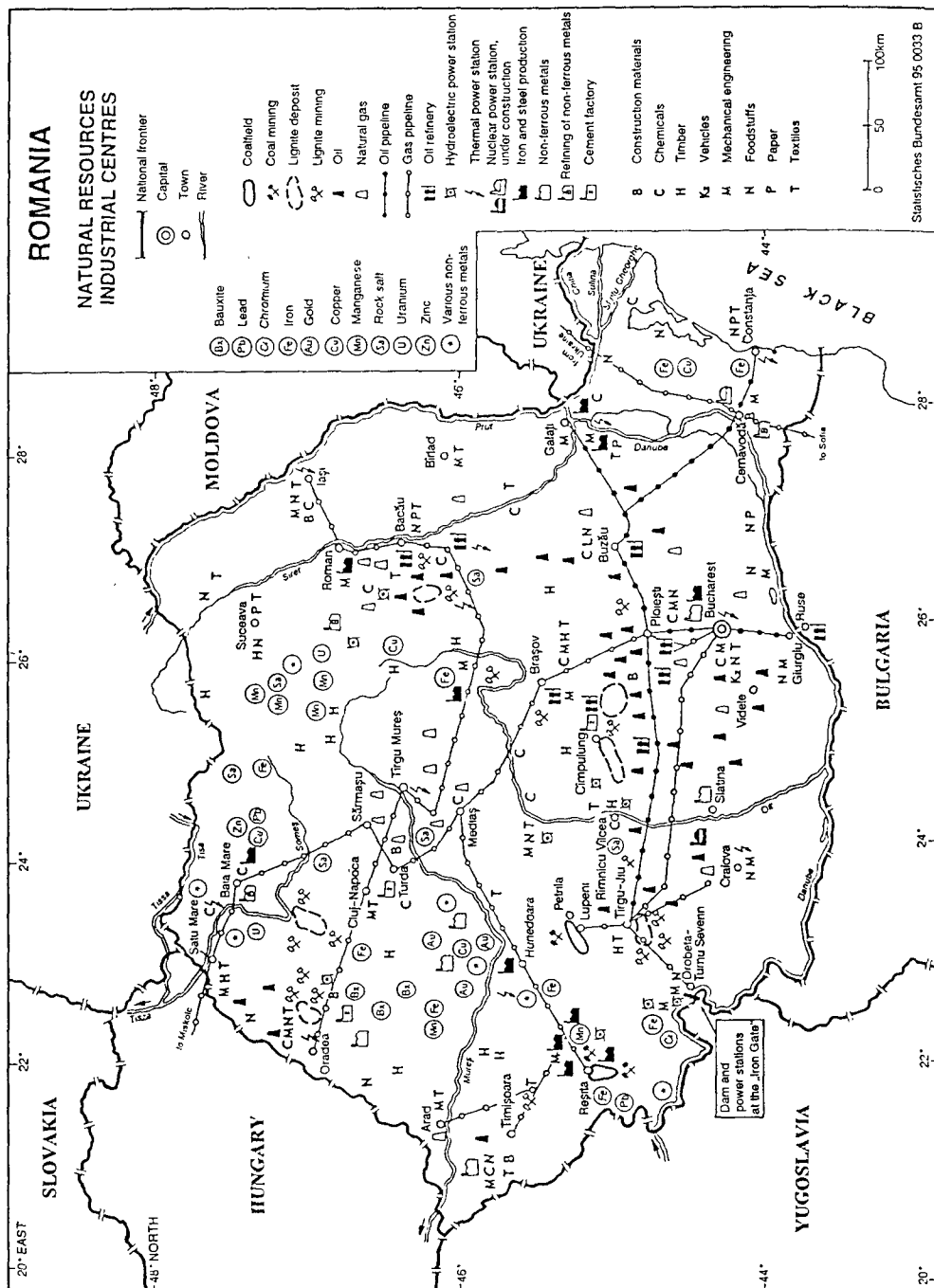
More obtained information on foreign trade statistics, particularly trade with European Union, can be obtained from the European Community's Statistical Office in Luxembourg.

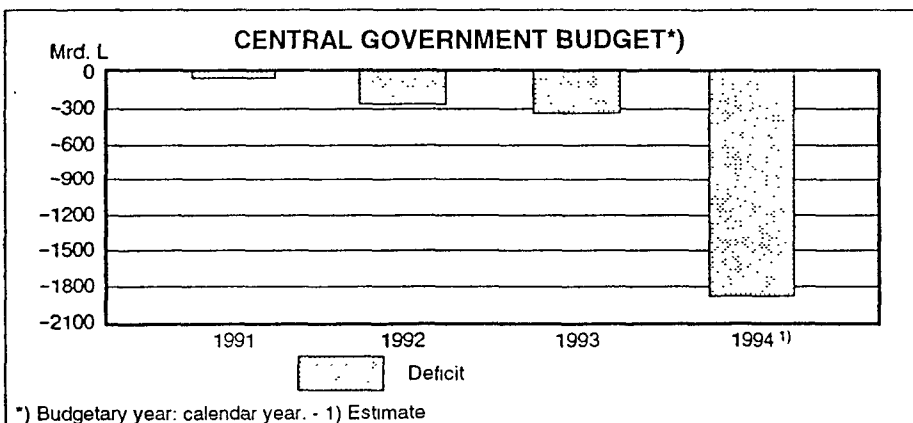
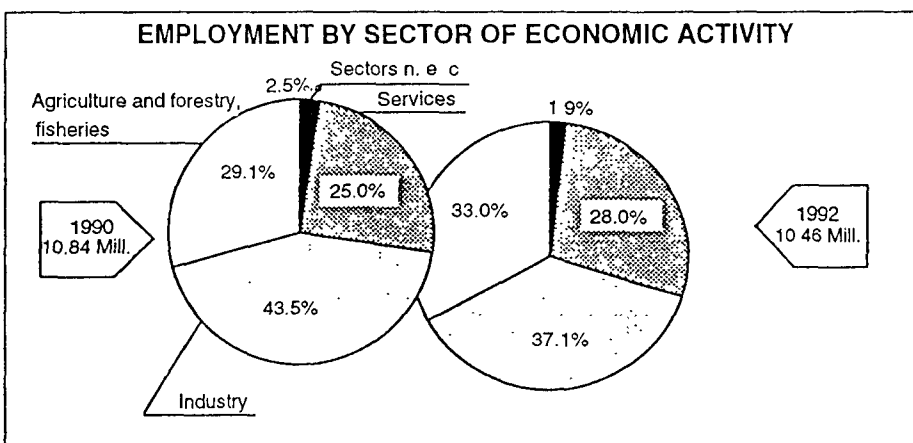
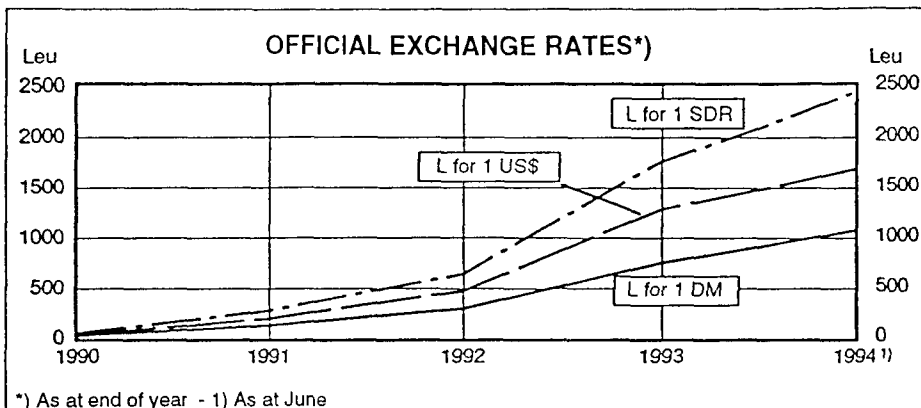
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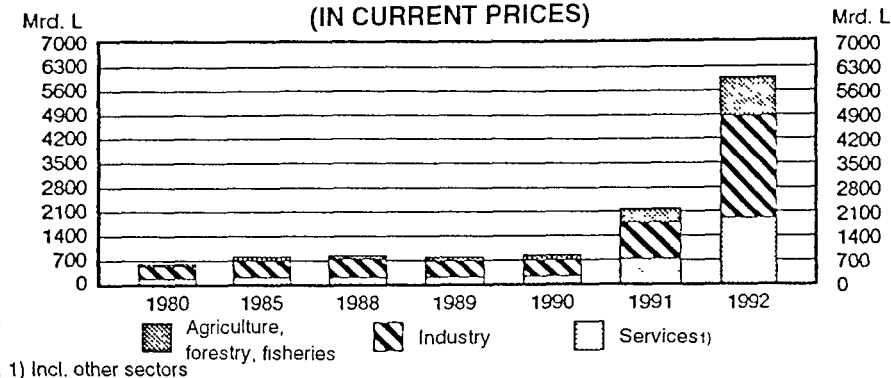




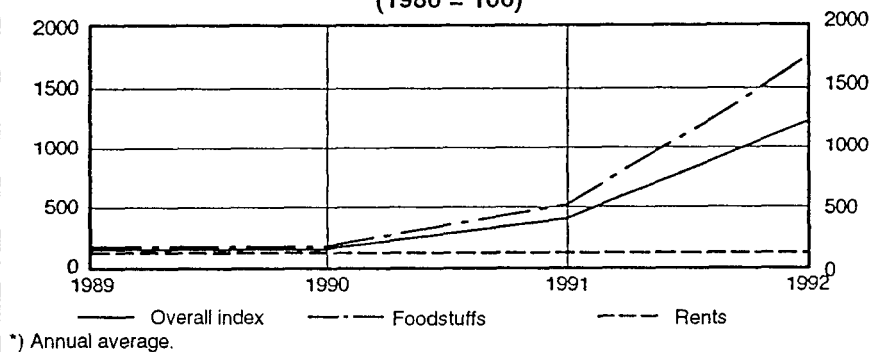


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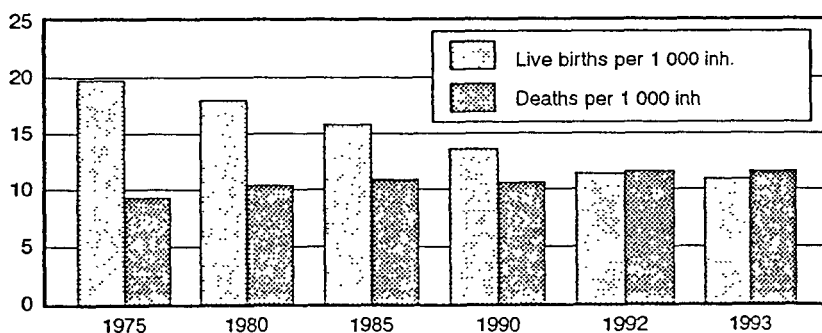
GENERATION OF GROSS DOMESTIC PRODUCT AT MARKET PRICES (IN CURRENT PRICES)



COST OF LIVING INDEX* (1980 = 100)



DEMOGRAPHIC INDICATORS



Statistisches Bundesamt 94 0036 B

1. GENERAL SURVEY

Country and government

Name of Country

In full: Romania

Short form: Romania

Statehood/Independence

Independent since 1878

Constitution

of November 1991

Form of State and Government

Republic

Head of State

President Ion Iliescu

Head of Government

Prime Minister Nicolae Vacaroiu

National Legislature

Bicameral parliament: 143-member Senate and 341-member Chamber of Deputies

Parties/Elections

Result of the September 1992 elections:

Chamber of Deputies: Democratic National Salvation Front/DNSF 117 seats,

Democratic Convention/DC 82,

National Salvation Front/NSF 43,

Romanian National Unity Party/PUNR 30,

Hungarian Democratic Forum of Romania/RMDSZ 28,

Greater Romania Party/GRP 16,

Socialist Labour Party 13,

others 12.

Senate: DNSF 49 seats,
DC 34,
NSF 18,
PUNR 14,
RMDSZ 12,
GRP 6,
Agrarian Democratic Party PDAR 5,
Socialist Labour Party 5.

Administrative Divisions

40 regions and the Metropolitan District of Bucharest

International Membership

United Nations and its specialist organisations; Council of Europe.

1.1 BASIC DATA

	Unit				
Area					
Total area	km ²	1993:	238,391		
Arable land and permanent crops	km ²	1992:	99,603		
Population					
Total population					
Results of population census	1,000	1977:	21,559.9	1992	22,810.0
Middle of year	1,000	1990:	23,206.7	Aug. 1993	22,756.0
Population increase	%	1977-1992:	+ 5.8	1990-1993	- 1.9
verage annual growth rate	%		+ 0.38		- 0.65
Population density	Inhab. per km ²	1977:	90.4	1993	95.5
Live births	per 1,000 inhab.	1975:	19.7		10.9
Deaths	per 1,000 inhab.		9.3		11.6
Deaths in 1st year of life	per 1,000 live births		34.7		23.4
Life expectancy at birth	Years	1975/77 A:	69.76	1990/92 A	69.78
Males	Years		67.45		66.56
Females	Years		72.6		73.17
Health					
Hospital beds	Number	1980:	194,845	1992	179,169
Inhabitants per hospital bed	Number		114		127
Doctors	Number		32,762		42,522
Inhabitants per doctor	Number		678		536
Dentists	Number		7,029		6,491
Inhabitants per dentist	Number		3,159		3,511
Education					
Illiteracy rate	%	1983:	4.2		
Gross enrolment rate					
Primary level	%	1980/81:	102	1991/92	90
Secondary level	%		71		80
Tertiary level	%		11.0	1989/90	8.7

Students at general secondary school students	1,000		3,337.7	1992/93	2,572.5
Secondary school students	1,000		1,147.9		1,104.6
Students at university or equivalent	1,000		192.8		235.7
Employment					
Working population	1,000	1985:	10,586.1	1992	10,458.0
Male	1,000		5,828.3		.
female	1,000		4,757.8		.
Unemployment rate	%	Ey 1991:	3.0	May 1994	11.0
Agriculture, forestry, fisheries					
Index of agricultural production	1979/81 D = 100	1988:	104.5	1993	75.0
Food production	1979/81 D = 100		104.4		74.6
Per inhabitant	1979/81 D = 100		100.5		70.8
Harvest volumes					
Wheat and rye	1,000 t	1980:	6,340	1992	3,228
Maize	1,000 t		10,563		6,828
Potatoes	1,000 t		3,942		2,602
Yields					
Potatoes	dt/ha		134.1		118.7
Cabbage	dt/ha		182.6		172.1
Sugar beet	dt/ha		222.8		161.0
Cattle population	1,000	Ey 1979/ 81 A:	6,047	Ey 1993	3,683
Timber extracted	1,000 m ³	1980:	18,336	1992	13,657
Fish catches	1,000 t	1987:	264.4	1991	124.9
Industry					
Production index	1985 = 100	1990:	79.9	1993	50.5
Power station capacity	MW	1980:	16,109	1992	22,177
Electricity generation	Mill. kWh		67,486	1993	55,448
Extraction of:					
Brown coal and lignite	1,000 t	1988:	51,349	1992	35,615
Crude oil	1,000 t		9,389	1993	6,673
Natural gaz	Mill. m ³		36,804		21,309

Production of:					
Petrol	1,000 t		6,594		3,070
Cement	1,000 t		13,124	1992	6,271
Crude steel	1,000 t		14,314	1993	5,446
Foreign trade					
Imports	Mill. ECU	1990:	7,158	1993	4,847
Exports	Mill. ECU		4,610		3,866
Import (-) or export (+) surplus	Mill. ECU		- 2,548		- 980
Transport and communications					
Length of railway network	km	1980:	11,110	1992	11,430
Length of public road network	km		73,364		72,816
Motor cars per 1,000 inhab.	Number	1985:	41.7		69.9
Air passengers	1,000		2,507	1993	1,717
Telephone connections	1,000		1,963		2,527
Television licences	1,000		3,879		3,542
Tourism					
Foreign visitors	1,000	1985:	4,772	1992	6,401
Foreign currency earnings	Mill. US-\$		182		262
Money and credit					
Official exchange rate, buying and selling	l per 1 DM	Ey 1990:	23.48	June 1994	1,064.26
Foreign currency reserves	Mill. US-\$		373		1,506
Money supply ²					
M1	Mrd. l		233.0		2,226.8
M2	Mrd. l		513.3		5,327.0
Public finance					
Central government budget				Estimat	
Revenue	Mrd. l	1991:	496.8	1994	9,660.0
Expenditure	Mrd. l		537.9		11,538.8
Foreign debt	Mill. US-\$	Ey 1988:	2 960	Ey 1992	3,520

Prices

Cost-of-living index	Oct. 1990 = 100	1992:	1,330	Aug. 1994	7,468
Change on previous year	%		+ 199		+ 42

National accounts**Gross domestic product at**

market prices

at current prices

at 1987 prices

per capita

Mrd. 1

Mrd. 1

1

1980: 616.9

704.4

31,728

1993 18,835.2

548.5

24,099

1) Pupils from class 1 to class 8.

2) Money supply according to the IMF definition.

1.2 IMPORTANT SOCIAL INDICATORS FOR EUROPEAN COUNTRIES*

Country	Nutrition		Health			Education	
	Calorie intake 1988/90 A		Life expectan- cy at birth		Hospital beds per 100,000 inha- bitants 1992	Percentage of	
	per capita/day		1992			Literacy in the popula- tion (aged 15 and over) 1992	Pupils in the popu- lation of elementary school age 1991 ¹
			Men	Wome			
	Kcal ²	% of require- ment	Years		Number		
Albania	2,761 (89)	107	70	75	407 (90)	85	101 (90)
Belgium	3,925	149	72	79	807 (91)	99	99
Bulgaria	3,694	148	68	75	848	94	92
Denmark	3,639	135	72	78	566 (91)	99	96 (90)
Germany	3,472 ^a	130 ^a	73 (91) ^a	79 (91) ^a	800	99	106
Estonia	.	.	65	75	1,113 (90)	99	.
Finlande	3,067	113	72	80	1,076	99	99
France	3,592	143	73	81	1,249 (90)	99	107
Greece	3,775	151	75	80	510 (90) ^b	94	97 (89)
United Kingdom	3,270	130	73	79	590 (90)	99	104 (90)
Ireland	3,951	157	73	78	391 (90) ^c	99	103 (90)
Iceland	3,473	131	78		1,563 (90)	99	101 (89)
Italy	3,498	139	74	81	531 (91)	97	94
Croatia	.	.	73		739 (90)	94 (81) ^d	94 (90)
Lettonia	.	.	64	75	1,262	99	.
Lituania	.	.	66	76	1,177	98	.
Luxembourg	3,925	149	76		1,202 (90)	99	90 (90)
Malta	3,169	128	76		590 (93)	87	110 (90)
Republic of Moldova	.	.	65	72	1,256	96	.
Netherlands	3,078	114	74	80	413	99	102 (90)
Norway	3,220	120	74	80	594 (90)	99	100
Austria	3,486	133	73	80	1,028	99	103
Poland	3,427	131	66	75	566	99	98
Portugal	3,342	136	70	78	424	86	122
Romania	3,081	116	67	73	786	97	90

(continued on next page)

1.2 IMPORTANT SOCIAL INDICATORS FOR EUROPEAN COUNTRIES* *(continued)*

Country	Nutrition		Health			Education	
	Calorie intake 1988/90 A		Life expectan-cy at birth		Hospital beds per 100,000 inha- bitants 1992	Percentage of	
	per capita/day		1992			Literacy in the popula- tion (aged 15 and over) 1992	Pupils in the popu- lation of elementary school age 1991 ¹
			Men	Women			
	Kcal ²	% of require- ment	Years		Number	%	
Russian Federation	.	.	64	75	1,341	99	.
Sweden	2,978	111	75	81	1,088 (91)	99	100
Switzerland	3,508	130	75	82	860 (89)	99	103
Slovakia	.	.	67	75	753 (91)	.	100
Slovenia	.	.	69	77	593 (91)	92 (81) ^d	.
Spain	3,472	141	73	81	433 (89)	98	109 (90)
Czech Republic	3,573 ^e	145 ^e	69	76	810 (91)	.	.
Turkey	3,196	127	65	70	217 ^f	82	113
Ukraine	.	.	66	75	1,321	95	.
Hungary	3,608	137	65	74	969	99	89
Belarus	.	.	67	76	1,271	98	.
Chypus	.	.	77		738 (89)	94	103 (90)

*) Figures in brackets indicate the year in question.

1) Figures over 100 % occur as a result of the survey method based on educational stages, some pupils being recorded in the wrong age group.

2) 1 kilocalorie = 4.187 kilojoules.

a) Old Länder.

b) Including beds in sanatoria.

c) State facilities only.

d) Aged 10 and over.

e) Former Czechoslovakia..

f) Beds in medical establishments.

1.3 IMPORTANT ECONOMIC INDICATORS FOR EUROPEAN COUNTRIES*

Country	Agriculture		Energy	Foreign trade	Transport	Communications		National product
	share of %		Consumption per capita	% of total exports accounted for by fuels mineral and metals	Motor car	Main telephone connections	TV sets	Per capita gross national product at market prices
	GDP	Total labour force						
	1992	1993			1993	1992 ¹	1992		1992	1991	1992^{2}
	%		kg oil unit ³	%	Number			US-\$
Albania	37	46.4	610 (91)	.	5 (91)	13	87	520 (91)
Belgium	2	1.6 ^a	4,848	7 ^a	393 (91)	432	451	20,880
Bulgaria	14	11.0	2,422 (92)	.	161	324 (93)	183 (92) ^b	1,330
Denmark	4	4.1	3,569	4 ^d	310	583 ^c	536	25,930
Germany	1	4.1	4,064	.	421 (93)	439	389 ^b	23,030
Estonia	17	12.8	.	.	186	209	347	2,750
Finlande	5	7.2	4,323	7	383	545	501	22,980
France	3	4.5	3,811	5	421	515	407	22,300
Greece	17 (91)	22.5	2,028	11	178	437	197	7,180
United Kingdom	2	1.8	3,670	9	352 (91)	467	434	17,760
Ireland	10	12.4	2,896	2	235	314	237	12,100
Iceland	12	6.0	4,563	.	459	543	319	23,670
Italy	3	6.0	2,672	3	496 (91)	410	421	20,510
Croatia	.	.	.	.	154 (91)	189	221	.
Lettonia	24	17.7	.	.	134	246	422	1,930
Lituania	21	17.8	.	.	151	219	374	1,310
Luxembourg	1	^e	9,953	^e	523	551	267	35,260
Malta	4 (91)	3.5	1,404 (91)	94 (91)	324 (91)	411	742	.
Republic of Moldova	34	.	1,600	.	48 (91)	116	.	1,260
Netherlands	4	3.2	4,525	11	374	488	485	20,590
Norway	3	4.5	4,246	58	377	530	423	25,800
Austria	3	5.0	2,870	4	410	440	478	22,110
Poland	7	18.9	2,500	20	176 (93)	115 (93)	261 (92) ^b	1,960
Portugal	9 (89)	14.2	1,687	5	205	286	187	7,450
Romania	19	17.9	1,958 (92)	.	70	111	155 (92) ^b	1,090

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1.3 IMPORTANT ECONOMIC INDICATORS FOR EUROPEAN COUNTRIES* (continued)

Country	Agriculture		Energy	Foreign trade	Transport	Communications		National product	
	share of %		Consumption per capita	% of total exports accounted for by fuels mineral and metals	Motor car	Main telephone connections	TV sets	Per capita gross national product at market prices	
	GDP	Total labour force							
					1992	1993	1993		1992 ¹	per 1,000 inhabitants	1992^{2}
	%				kg oil unit ³	%	Number		US-\$
	Russian Federation	13	13,4 ^d	4,846	.	58 (91)	153	366	2,680
Sweden	2	3,4	4,648	6	416 (93)	684	468	26,780	
Switzerland	3(85)	3,5	3,294	3	454	608	406	36,230	
Slovakia	6	.	3,202 (92)	.	186 (93)	267 (93)	248(90) ^b	1,920	
Slovenia	5	.	.	.	307	247	284	.	
Spain	4	9,3	2,211	5	335	353	400	14,020	
Tchec,Republic	6	.	3,373 (92)	.	261 (93)	325 (93)	309(92) ^b	2,440	
Turkey	18	45,6	984	4	43	160	175	1,950	
Ukraine	23	19,6 ^d	3,884 (92)	.	73	140	487	1,670	
Hungary	7	10,0	2,316	8	200	196 (93)	420 ^b	3,010	
Belarus	21	.	4,154 (92)	.	68	173	346(92)	2,910	
Chypus	6	19,3	1,811 (91)	59 (87)	336	404	144	9,820	

*¹) Figures in brackets indicate the year in question.

1) SITC headings 27, 28 and 68.

2) World Bank data.

3) 1 kg oil unit = 0.043 gigajoules = 0.043 x 10⁹ joules.

a) Including data for Luxembourg.

b) Television licences.

c) Including data for the Faroes and Greenland.

d) Active population.

e) Data for Luxembourg are included in Belgium.

2. GEOGRAPHY

Romania's national territory lies between 43° and 48° north and 20° and 29° east, covering a total area of 238 391 km². It is roughly two-thirds the size of Germany.

The following types of topography can be distinguished:

- The Tisa Plain, fertile farmland, is an offshoot of the Hungarian Plain and is drained by the Tisa. In the south of the Tisa Plain lies the Banat region, through which the Timis flows.
- The Transylvanian Plateau forms a fertile hilly country at an altitude of 400 to 700 m, criss-crossed by rivers, in the inner rim of the Carpathians; it is linked to the rest of Romania by gorges and passes.
- The Carpathian range stretches across the country in a vast arc from the northern border to the Danube.
- In the south and east of the Carpathians the Carpathian foothills form a transitional area.
- Walachia (Romanian Plain) forms the fertile core of Romania. Between the Southern Carpathians/Carpathian foothills and the Danube (border with Bulgaria) lies Lesser Walachia (Oltenia) to the west of the Olt, joined by Greater Walachia (Muntenia) to the east.
- The Danube Delta is about 80 km long and covers an area of 4,000 km². It extends about 4 m further into the sea each year.
- The Moldavian Plateau is a hilly area lying between the Carpathians and the Prut River, which forms the country's eastern border.
- The tableland of the Dobruja Massif drops down to the Black Sea coast with steep limestone cliffs which are separated from the sea by a flat strip of land with lagoons and sandy beaches.

The Danube is the country's most important river, flowing through Romanian territory for more than a third of its total length (1,075 out of 2,857 km). A multitude

of rivers, almost all of them rising in the Carpathians, form a dense network of watercourses with the Danube.

The climate is temperate-continental (cold winters, warm summers) with seasonal temperature fluctuations that increase and precipitation that decreases to the east and south-east. The average temperatures are 21°C in summer and -2°C in winter.

The difference between Romanian time and Central European Time (CET) is +1 hour.

2.1 CLIMATE*

(Long-term average)

Station	Bucharest	Sibiu	Iasi	Cluj
Location	44°N 26°O	46°N 24°O	47°N 28°O	47°N 24°O
Altitude				
Month	82 m	416 m	100 m	363 m
Air temperature (°C), monthly and annual averages				
Coldest month: January	- 2.7	- 4.0	- 4.1	- 3.9
Warmest month: July	23.2	19.8	21.6	19.9
Year	11.1	8.9	9.4	8.8
Air temperature (°C), average daily maximum/minimum				
Coldest month: January	0.7	0.0	- 0.4	0.4
Warmest month: July	30.0	26.0	28.3	26.9
Year	16.6	14.2	14.7	15.1
Relative humidity (%), average maximum (mornings)				
Wettest month: December	94	90 ^I	81	93
Driest month: July	66	77 ^{IV+V}	66 ^{V+VII}	70
Year	80	83	73	82

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2.1 CLIMATE* (continued)

(Long-term average)

Station	Constanta	Predeal ¹	Timisoara	Turnu Severin
Location	44°N 29°O	46°N 25°O	46°N 21°O	45°N 23°O
Altitude				
Month	32 m	1,093 m	91 m	70 m
Air temperature (°C), monthly and annual averages				
Coldest month: January	- 0.4	- 5.4	- 1.6	- 1.6
Warmest month: July	22.4	14.6	21.7	23.2
Year	11.2	4.9	10.9	11.6
Air temperature (°C), average daily maximum/minimum				
Coldest month: January	3.0	- 0.6	2.2	1.9
Warmest month: July	26.5	20.8	28.9	30.1
Year	15.0	10.4	16.9	16.9
Relative humidity (%), average maximum (mornings)				
Wettest month: December	89 ^{XI+XII}	89-90 ^{XI-I}	95-96 ^{X-I}	90
Driest month: July	70	74	80	64
Year	82	82	89	79

*) Roman numerals indicate different months.

1) Predeal Pass, south of Brasov, a passage over the Southern Carpathians to Bucharest.

The German Meteorological Service, Zentralamt, Postfach 10 04 65, D-63004 Offenbach has more detailed climatic data for these and other weather stations. These data are generally released only against payment of a fee.

3. POPULATION

According to the January 1992 population census, Romania had a population of 22.81 million, up 5.8 % since the 1977 census, when it was 21.56 million. The annual growth rate declined considerably over this period. With the sharp fall in the rate of natural increase and the rise in emigration, the average annual rate of population increase dropped from +0.66 % in the period 1977 to 1985 to +0.42 % between 1985 and 1990. In the early 1990s, the rates even became negative, -0.86 % between 1990 and 1992, for example, and current figures (from August 1993, when the population was put at 22.76 million) indicate that this trend is continuing.

3.1 TOTAL POPULATION AND POPULATION DENSITY*

Survey item	Unit	1977	1980	1985	1990	1992	1993
Population	1,000	21,559.9^a	22,201.4	22,724.8	23,206.7	22,810.0^b	22,756.0^c
Male	1,000	10,626.1	10,953.6	11,214.3	11,449.1	11,213.8	.
Female	1,000	10,933.9	11,247.8	11,510.5	11,757.6	11,596.3	.
Population density in relation to:							
Total area ¹	Inhab. per km ²	90.4	93.1	95.3	97.3	95.7	95.5
Land area	Inhab. per km ²	90.8	93.5	95.8	97.8	96.1	95.9
		1977-1985		1985-1990		1990-1992	
Average annual rate of increase							
Total	%	+ 0.66		+ 0.42		- 0.86	
Male	%	+ 0.68		+ 0.42		- 1.03	
Female	%	+ 0.64		+ 0.43		- 0.69	

*) As at the middle of the year.

1) 1.1.1993: 238,391 km².

2) 237,333 km².

a) Result of the population census of 5 January.

b) Result of the population census of 7 January.

c) As at 1 August.

Demographic trends in Romania in the past few decades can be divided into the following phases:

- Immediately after the war and up to the second half of the 1950s, relatively high numbers of births were recorded (up to 28 per 1,000 inhabitants). The reason can be traced back to the resurgence in marriages and births, which had fallen off because of the war.
- In the following period, up to about the mid-1960s, the number of births declined appreciably, the legalization of abortion in 1957 being an important contributory factor. By 1966 the birthrate had fallen to 14.3 per 1,000 inhabitants.
- Then, immediately after a series of population policy measures was brought in by a 1966 Decree of the State Council, the number of births leapt up. These measures included a ban on abortion, more difficult divorce, additional taxation on childless couples and socio-economic measures designed to improve living conditions.
- This increase was followed by a substantial long-term decline in numbers of births, since in view of the country's economic problems a general improvement in the population's living conditions and medical facilities was not achieved. The long decline could not be stemmed for any length of time even by repeated attempts to boost population growth by means of legislative measures. This policy did, however, result in sudden fluctuations in the numbers of births, with concomitant effects on the age structure of the population. It became impossible in many cases to draw up realistic plans in areas such as education and health, the economy and administration, or to utilize capacity with some semblance of uniformity.
- The early 1990s saw the first negative rates of natural increase (difference between the number of births and the number of deaths per 1,000 inhabitants) as a result of the continued fall in the number of births and increase in the number of deaths. In 1992, the rate of natural increase was -0.02 %, and in the following year down to -0.07 %.

3.2 DEMOGRAPHIC INDICATORS

Survey item	Unit	1975	1980	1985	1990	1992	1993
Live births	per 1,000 inhab.	19.7	18.0	15.8	13.6	11.4	10.9
Deaths	per 1,000 inhab.	9.3	10.4	10.9	10.6	11.6	11.6
Natural population increase	%	+ 1.04	+ 0.76	+ 0.49	+ 0.30	+ 0.02	+ 0.07
Deaths in the first year of life	per 1,000 live births	34.7	29.3	25.6	26.9	23.3	23.4
		1975/77 A		1980/82 A		1984/86 A	
Life expectancy at birth							
Total	Years	69.76		69.42		69.74	
Males	Years	67.45		66.70		66.78	
Females	Years	72.06		72.17		72.78	
		1970	1980	1989	1990	1991	
Total fertility rate per woman	Per woman	2.89	2.45	2.19	1.83	1.56	
Net reproduction rate	Per woman	1.40	1.19	1.07	0.90	0.85	

In 1990, there were roughly 0.19 million marriages, a 20 % increase on the 1985 figure. After that, there was a rapid decline, with only 0.16 million marriages registered in 1993, 16 % fewer than in 1990.

3.3 MARRIAGES AND DIVORCES

Survey item	Unit	1980	1985	1990	1991	1992	1993
Marriages	Number	182,671	161,094	192,652	183,388	174,593	161,592
	Per 1,000 inhab.	8.2	7.1	8.3	7.9	7.7	7.1
Divorces	Number	34,130	32,587	32,966	37,031	29,290	31,128
	Per 1,000 inhab.	1.54	1.43	1.42	1.60	1.29	1.37

The most striking feature of the Romanian age pyramid is its sharp indentations. The 1992 population census showed that there were 1.3 % fewer children in the group aged up to four years than in the 10- to 14- year age group, reflecting the rapid decline in the number of births over the past few years. The temporary legalization of abortion in 1957, too, led to a notch in the age pyramid for those aged 25 to 34 years at the time of the 1992 census. The population policy measures introduced under a 1966 Decree of the State Council (banning abortion, making it more difficult to obtain a divorce, increasing taxation on childless couples, etc.) led to 20- to 24-year-olds becoming the largest of any age group, accounting for 9 % of the total population in 1992.

3.4 POPULATION BY AGE GROUP*

(% of total population)

Age	1977		1985		1992 ¹	
	Total	Male	Total	Male	Total	Male
0 - 5	9.1	4.7	7.6	3.9	7.1	3.6
5 - 10	10.2	5.2	8.7	4.5	7.3	3.7
10 - 15	6.3	3.2	8.3	4.3	8.4	4.3
15 - 20	7.5	3.8	8.8	4.5	8.4	4.3
20 - 25	8.5	4.3	6.2	3.2	9.0	4.6
25 - 30	7.7	3.9	7.6	3.9	5.5	2.8
30 - 35	5.8	2.9	7.7	3.9	6.8	3.4
35 - 40	6.7	3.3	6.5	3.2	7.5	3.8
40 - 45	7.1	3.5	5.4	2.7	6.7	3.4
45 - 50	6.9	3.4	6.6	3.3	5.1	2.5
50 - 55	6.2	3.0	6.3	3.1	5.9	2.9
55 - 60	4.1	1.8	5.8	2.8	6.0	2.9
60 - 65	3.9	1.7	4.9	2.2	5.4	2.5

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3.4 POPULATION BY AGE GROUP*

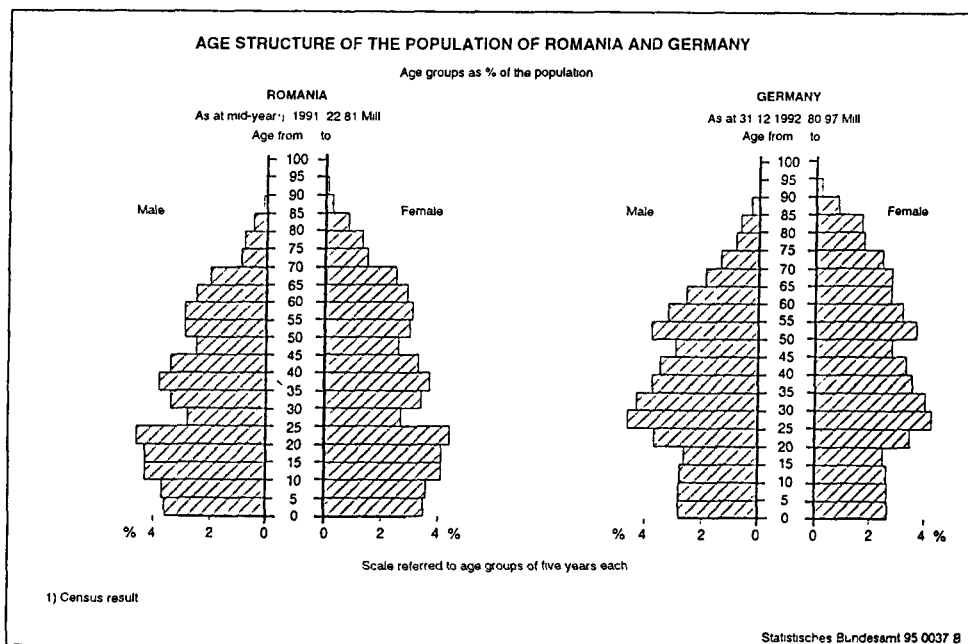
(% of total population)

Age	1977		1985		1992 ¹	
	Total	Male	Total	Male	Total	Male
65 - 70	4.0	1.8	2.6	1.1	4.5	2.0
70 - 75	3.0	1.3	3.2	1.4	2.4	0.9
75 - 80	1.8	0.7	2.2	0.9	2.1	0.8
80 - 85	0.8	0.3	1.1	0.4	1.3	0.5
85 and over	0.4	0.2	0.4	0.1	0.6	0.2
0 - 15	25.6	13.1	24.6	12.7	22.8	11.6
15 - 65	64.4	31.6	65.8	32.8	66.3	33.1
65 and over	10.0	4.3	9.5	3.9	10.9	4.4
Overall age dependency ratio ²	55	X	52	X	51	X

*) As at the middle of the year.

1) Population census figure.

2) Ratio of persons aged under 15 and 65 and over to 100 persons aged 15 to 65.



In the last few decades Romania's administrative subdivisions have been radically amended several times.

In 1950 the more than 50 districts were replaced by 18 administrative regions (plus the capital region of Bucharest), with a subsequent reduction to 16. The reasons for creating relatively few regions to replace a large number of districts were given as the low level of development and the need to create a base of heavy industry. Thus those towns which were centres of (agricultural) trade and also in many cases had other important service functions for the surrounding area but did not have a strong industrial base lost their position as administrative capitals. In the years that followed, most of these towns fell into a state of (at least relative) stagnation.

In a further administrative reform in 1968, 40 districts (plus the capital district of Bucharest) were created instead of the previous 16 regions. This reorganization was intended to serve as an instrument for sophisticated regional development (from the level attained in the 1960s). One of the results of this reform was that small provincial towns where growth had been slight now received more substantial investment, which in many cases speeded up their development appreciably. In general, efforts were made to reduce the differences in development between districts, although disparities within districts were in many cases not eliminated for good.

3.5 AREA, POPULATION AND POPULATION DENSITY BY DISTRICT*

District	Capital	Area	1977	1992	1977	1992	1977-1992
			Population		Population density		Change
		km ²	1,000		Inhabitant per km ²		%
Bucharest	Bucharest	1,821	2,095	2,355	1,150.5	1,293.2	+ 12.4
Alba	Alba Iulia	6,242	410	414	65.7	66.3	+ 1.0
Arad	Arad	7,754	512	488	66.0	62.9	- 4.7
Arges	Pitesti	6,826	632	681	92.6	99.8	+ 7.8
Bacau	Bacau	6,621	668	738	100.9	111.5	+ 10.5
Bihor	Oradea	7,544	633	639	83.9	84.7	+ 0.9
Bistrita-Nasaud	Bistrita	5,355	287	327	53.6	61.1	+ 13.9
Botosani	Botosani	4,986	451	461	90.5	92.5	+ 2.2
Brasov	Brasov	5,363	583	643	108.7	119.9	+ 10.3

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3.5 AREA, POPULATION AND POPULATION DENSITY BY DISTRICT* *(continued)*

District	Capital	Area	1977	1992	1977	1992	1977-1992
			Population		Population density		Change
		km ²	1,000		Inhabitant per km ²		%
Brsila	Braila	4,766	378	392	79.3	82.2	+ 3.7
Buzau	Buzau	6,103	508	517	83.2	84.7	+ 1.8
Caras-Severin	Resita	8,520	386	376	45.3	44.1	- 2.6
Calarasi	Calarasi	5,088	339	339	66.6	66.6	0
Cluj	Cluj-Napoca	6,674	715	736	107.1	110.3	+ 2.9
Constanta	Constanta	7,071	609	749	86.1	105.9	+ 23.0
Covasna	Sfântu-Gheorghe	3,710	199	233	53.6	62.8	+ 17.1
Dâmbovita	Târgoviste	4,054	528	562	130.2	138.6	+ 6.4
Dolj	Craiova	7,414	750	762	101.2	102.8	+ 1.6
Galati	Galati	4,466	582	641	130.3	143.5	+ 10.1
Giurgiu	Giurgiu	3,526	327	313	92.7	88.8	- 4.3
Gorj	Tîrgu-Jiu	5,602	349	401	62.3	71.6	+ 14.9
Harghita	Miercurea-Ciuc	6,639	326	348	49.1	52.4	+ 6.7
Hunedoara	Deva	7,063	514	548	72.8	77.6	+ 6.6
Ialomita	Slobozia	4,453	296	306	66.5	68.7	+ 3.4
Iasi	Iasi	5,476	729	811	133.1	148.1	+ 11.2
Maramures	Baia Mare	6,304	493	540	78.2	85.7	+ 9.5
Mehedina	Drobeta-Turnu-Severin	4,933	322	332	65.3	67.3	+ 3.1
Mures	Tîrgu Mures	6,714	605	610	90.1	90.9	+ 0.8
Neamt	Piatra-Neamt	5,896	532	578	90.2	98.0	+ 8.6
Olt	Slatina	5,498	519	523	94.4	95.1	+ 0.8
Prahova	Ploiesti	4,716	817	874	173.2	185.3	+ 7.0
Satu-Mare	Satu-Mare	4,418	394	401	89.2	90.8	+ 1.8
Salaj	Zalau	3,864	264	267	68.3	69.1	+ 1.1
Sibiu	Sibiu	5,432	482	453	88.7	83.4	- 6.0
Suceava	Suceava	8,553	634	702	74.1	82.1	+ 10.7

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3.5 AREA, POPULATION AND POPULATION DENSITY BY DISTRICT* *(continued)*

District	Capital	Area	1977	1992	1977	1992	1977-1992	
			Population		Population density		Change	
		km ²	1,000		Inhabitant per km ²		%	
Teleorman	Alexandria	5,790	518	484	89.5	83.6	-	6.6
Timis	Timisoara	8,697	697	700	80.1	80.5	+	0.4
Tulcea	Tulcea	8,499	254	271	29.9	31.9	+	6.7
Vaslui	Vaslui	5,318	437	461	82.2	86.7	+	5.5
Vilcea	Rîmnicu							
	Vilcea	5,765	414	438	71.8	76.0	+	5.8
Vrancea	Focsani	4,857	370	393	76.2	80.9	+	6.2

*) Results of population censuses.

In Romania, the population has become much more urbanized in the last few decades. An important contributory factor was the collectivization of agriculture in the late 1950s and early 1960s, accompanied by such things as the mechanization of agricultural activities, which led to underemployment in this sector, while at the same time priority was given to creating jobs in industry, thereby boosting internal migration towards the towns. As early as the 1977 population census, around 44 % of the population lived in towns.

Far-reaching changes in the method of settlement, both urban and rural, were brought in with the law enacted in 1974 on the "systematization" of the land and urban and rural settlements, which served initially as the basis for a radical reform of the capital in accordance with the ideas of the then head of the party, Ceaucescu. In the second half of the 1980s the "systematization" of the rural settlements was stepped up. The agricultural cooperatives were supposed to give way to agro-industrial complexes in which farms and factories were to be merged under "urban" conditions. Ultimately, this plan would have resulted in the elimination of half of the 13,000 or so villages in Romania. Even before the upheavals of 1990, a great many villages in Romania were destroyed as part of this reform, despite many protests, including some from the international community.

At the beginning of the 1990s, urbanization came to a standstill. In both 1990 and 1992, it was estimated that 54.3 % of the population was living in towns. In line with the general population decline, numbers living in both urban and rural areas fell by 1.7 %.

3.6 URBAN AND RURAL POPULATION*

Urban/rural	Unit	1977 ¹	1985	1989	1990	1992 ¹
In towns	1,000	9,396	11,370	12,312	12,609	12,392
	%	43.6	50.0	53.2	54.3	54.3
In rural communes	1,000	12,164	11,355	10,840	10,598	10,418
	%	56.4	50.0	46.8	45.7	45.7

*) As at the middle of the year.

1) Results of the population census.

In mid-1990, the population of the capital, Bucharest, was put at 2.13 million, an increase of 14 % compared with 1978. However, the population of Brasov increased much more rapidly over the same period, by 36 %. The other major towns also had appreciably higher rates of increase than the capital.

At the beginning of the 1990s, most of the major towns had declining populations. Between 1990 and 1992, there was a 3 % drop in the population of Bucharest, with the decline in Brasov as high as 11 %. During this period, only the populations of Bacau and Pitesti showed an increase (+4 % and +2 % respectively).

Bucharest, which in 1977 had been struck by an earthquake, subsequently became a special target for the radical reorganization and redevelopment plans of the former Head of State, Ceaucescu, which were bound up with the slogan "systematization". In particular, the long-established structure of the old city of Bucharest and of other towns as well was destroyed, after the inhabitants had been evicted from their homes by decree and allocated to other dwellings at random.

3.7 POPULATION IN SELECTED TOWNS*

(in thousand)

Town	1978	1981	1985	1989	1990	1992 ¹
Bucharest	1,858	1,929	1,976	2,037	2,127	2,068
Constanta	273	280	323	316	355	351
Iasi	278	280	314	330	347	344
Timisoara	278	288	319	333	351	334
Cluj-Napoca	273	290	310	318	329	329
Galati	253	268	293	307	326	326
Brasov	268	320	347	353	364	324
Craiova	231	240	275	300	317	304
Ploies,,ti	206	219	234	248	259	253
Braila	200	219	235	243	248	234
Oradea	180	193	209	225	229	223
Bacau	136	156	175	193	197	205
Arad	174	182	185	191	203	190
Pitesti	133	144	154	162	175	179
Sibiu	158	164	177	184	188	170
Tîrgu Mures	137	141	157	165	172	164
Baia Mare	108	123	136	150	152	149
Buzau	103	116	132	145	148	148
Satu Mare	108	116	128	137	138	132

*) As at the middle of the year.

1) Result of the population census.

The 1977 census gave the following breakdown of the total population by nationality: Romanian 88.1 %, Hungarian 7.9 % (1.7 million), other approximately 4.0 % (0.9 million), including 1.7 % Germans (0.36 million). By 1992 the proportion of Hungarians had fallen by 0.8 percentage points to 7.1 % and the proportion of Germans by 1.2 percentage points to 0.5 % as a result of widespread emigration.

These figures indicate that the proportion of Romanians in the total population rose by 1.4 percentage points between 1977 and 1992 to 89.5%, and that the proportion of other ethnic groups accordingly fell to 10.5%.

Information on numbers belonging to the various ethnic groups is, however, not totally reliable. Whereas the 1992 population census put gypsies/Roma at 0.4 million, their leaders estimate their number to be as many as 3 million, assuming that in the census many Roma put themselves down as Romanians (or, in some parts of the country, as Hungarians) in order, for example, to avoid some of the discrimination they so feared.

At the beginning of the 1990s, it was estimated that there were only some 80,000 Germans left in Romania, after large numbers had emigrated. The 1992 census figure of approximately 120,000 Germans was attributed by experts to more and more partners in Romanian/German marriages calling themselves German. It is also assumed that considerable numbers of more or less voluntarily assimilated Romanians of German stock put down the origin of their grandparents in the hope of smoothing their path towards emigration to Germany. On the other hand, it is also assumed that some people still feared discrimination if they admitted to being German.

3.8 POPULATION BY ETHNIC GROUP*

Ethnic group	1977	1992	1977	1992
	1,000		%	
Total	21,559.9	22,810.0	100	100
Romanians	18,999.6	20,408.5	88.1	89.5
Hugarians	1,713.9	1,625.0	7.9	7.1
Gypsies	227.4	401.1	1.1	1.8
Germans	359.1	119.5	1.7	0.5
Ukrainians	55.5	65.8	0.3	0.3
Russians	32.7	38.6	0.2	0.2
Serbs	34.4	29.4	0.2	0.1
Slovaks	21.3	19.6	0.1	0.1
Bulgarians	10.4	9.9	0.1	0.0

*) Result of the population census.

The strongest religion is the Romanian Orthodox Church, to which about 87 % of the population belonged in 1992. Even at the start of the 1980s, some 70 % of Romanians had claimed to be of this persuasion. Over the previous decades, close personal ties had developed between the leading members of this faith and the state apparatus of socialist Romania, and the Orthodox Church therefore received more government support than any other.

3.9 POPULATION BY RELIGIOUS AFFILIATION, 1992*

Denomination/faith	1,000	%
Total	22,810.0	100
Romanian Orthodox	19,802.4	86.8
Roman Catholic	1,161.9	5.1
Protestant	802.5	3.5
Greek Orthodox	223.3	1.0
Pentecostal Church	220.8	1.0
Baptists	109.5	0.5
Adventists	77.5	0.3
Unitarians	76.7	0.3
Moslems	55.9	0.2
Jews	9.0	0.03

*) Result of the population census.

In 1990, almost 97,000 people emigrated legally from Romania. This figure was 134 % higher than the previous year's and as much as 256 % up on the 1985 figure. There was, admittedly, a sharp fall in registered emigrants in the next two years, but even in 1992 the total, at approximately 31,000, was 26 % higher than in 1980. In this connection, the high figures for asylum-seeking Romanians should be noted: the European Union recorded over 100,000 asylum applications from Romanian citizens in 1992 (in 1991, over 40,000). A more recent study estimated that in 1993 around 1.5 million Romanian citizens considered leaving their country for good, most of them young and with an above-average level of occupational training.

As the following table shows, Germany was the country of destination most often chosen by those emigrating legally throughout the period 1980 to 1992. In 1992, 44 % of emigrants opted for Germany, followed by Hungary with 15 % and Austria with 11 %. After Romanians, who made up the majority (58 %) of emigrants, the

next largest groups were Germans and Hungarians, with 28 % and 11 % respectively.

Since the beginning of the 1990s, Romania has seen a rapidly rising tide of illegal and legal immigrants from the Third World, most of them using the country merely as a stopping-off post on their way to Western Europe. Between 1990 and 1993, there was a total of some 1,800 registered asylum-seekers, only a fraction of whom had their applications approved.

A further group of immigrants possessed valid entry visas when they arrived in Romania (for business or tourist purposes or for visits to relatives). Many of these, however, stayed on in the country after their entry documents had ceased to be valid. Some 5,000 such cases had been reported by the end of 1993, most of them concerning immigrants from the Middle and Far East, more especially Iran, Syria, Pakistan, Iraq, Jordan and China.

The majority of immigrants, however, have neither valid entry documents nor any money to speak of and yet are hoping to reach Western Europe via Romania. In most cases, they have paid large sums to international networks specializing in the smuggling of human cargoes. In many cases they have been left in the lurch by their "guides", often without knowing in what country they have landed or ever having heard of Romania before. The number of such immigrants was put at 30,000 to over 40,000 in the first half of 1994 alone.

3.10 EMIGRANTS BY SELECTED ETHNIC GROUPS AND COUNTRIES OF DESTINATION

Survey item	1980	1985	1989	1990	1991	1992
Emigrants	24,712	27,249	41,363	96,929	44,160	31,152
Male	12,195	13,318	20,384	46,335	21,211	16,085
By selected ethnic groups						
Romanians	8,276	10,274	14,745	23,888	19,307	18,104
Germans	13,608	12,809	14,598	60,072	15,567	8,852
Hungarians	1,388	2,432	10,099	11,040	7,494	3,523
By selected country of destination						
Germany ¹	15,416	13,804	17,378	66,121	20,001	13,813
Hungary	338	1,184	11,163	10,635	4,427	4,726
Austria	668	1,705	1,500	3,459	4,630	3,282
United States	3,191	2,685	3,583	4,924	5,770	2,100
Canada	527	648	1,151	1,894	1,661	1,591
France	393	427	436	1,626	1,512	1,235
Sweden	175	509	832	996	381	686
Italy	345	328	276	1,130	1,396	528
Israel	1,182	1,376	1,486	1,227	519	463
Australia	158	353	652	611	301	297
Greece	175	271	425	576	354	143

1) Up to 1990, inclusive the Federal Republic.

During the second half of the 1980s and at the start of the 1990s, the number of asylum applications by Romanian citizens in the Member States of the European Union shot up. In 1992, almost 104,000 applications were submitted in Germany alone, 156 % more than in the previous year. At the same time, 3,500 applications were made by Romanian citizens in Belgium, an increase of 45 % over 1991.

3.11 ASYLUM APPLICATIONS BY ROMANIAN CITIZENS IN THE MEMBER STATES OF THE EUROPEAN UNION*

Survey item	1980	1985	1989	1990	1991	1992
Emigrants	24,712	27,249	41,363	96,929	44,160	31,152
Male	12,195	13,318	20,384	46,335	21,211	16,085
By selected ethnic groups						
Romanians	8,276	10,274	14,745	23,888	19,307	18,104
Germans	13,608	12,809	14,598	60,072	15,567	8,852
Hungarians	1,388	2,432	10,099	11,040	7,494	3,523
By selected country of destination						
Germany ¹	15,416	13,804	17,378	66,121	20,001	13,813
Hungary	338	1,184	11,163	10,635	4,427	4,726
Austria	668	1,705	1,500	3,459	4,630	3,282
United States	3,191	2,685	3,583	4,924	5,770	2,100
Canada	527	648	1,151	1,894	1,661	1,591
France	393	427	436	1,626	1,512	1,235
Sweden	175	509	832	996	381	686
Italy	345	328	276	1,130	1,396	528
Israel	1,182	1,376	1,486	1,227	519	463
Australia	158	353	652	611	301	297
Greece	175	271	425	576	354	143

*) According to data from the Statistical Office of the European Communities (Eurostat). Data for Greece, Ireland and Portugal are not broken down by citizenship.

1) Up to 1990 inclusive, the then Federal Republic.

2) Excluding asylum applications lodged outside Denmark.

4. HEALTH

In socialist Romania state health care was officially free and available to all citizens. The right of all Romanians to health protection and equality of treatment was even enshrined in the Constitution. Although between 1940 and 1980 in particular there was a substantial increase in expenditure on public health and in the number of doctors and hospital beds, the health service deteriorated markedly towards the end of the Ceaucescu era. During the 1980s, those who wielded power in Romania lost interest in social policy investments, since even then it was becoming obvious that the economy was in crisis and Romania's foreign debts were rapidly being reduced. Funding became extremely scarce, with the situation made even worse by expenditure on large-scale prestige projects. At the beginning of the 1990s, Romanian hospitals were likened by experts to technical museums representing a level of development achieved half a century previously in Western Europe.

Apart from its dwindling efficiency, the Romanian health service is generally considered to be overcentralized. Patients have very little choice and staff no effective incentives to offer an efficient service. Most of the population have to rely on primary medical care centres near their place of work or home. Although there is now more scope for financial management at local level, there is still a raft of petty regulations preventing the heads of medical establishments from making efficient use of resources. Health care is also hampered by a lack of motivated staff and the absence of any manufacturer in Romania who can produce the drugs required. The country is thus heavily dependent on imports in this field. There are also very few material incentives for heads of medical establishments to make more efficient use of what staff and equipment they do have.

In these circumstances, the government is endeavouring to set up a private health sector. As experience in other countries has shown, however, there must be a system of appropriate legal standards before high-quality health services can be supplied to a large group of patients by the private sector at reasonable cost. Experts therefore consider that privatization plans should be shelved until the required legal framework (including a financing plan) can be developed.

4.1 MEDICAL ESTABLISHMENTS AND BEDS

Survey item	1980	1985	1990	1991	1992
Medical establishments					
Hospitals	416	424	423	427	430
Polyclinics	418	520	540	536	531
Health centres	5,702	5,440	5,883	5,948	5,935
TB sanatoriums	19	17	16	16	17
Prevention centres	18	17	15	16	14
Pharmacies	1,875	1,922	1,948	1,748	1,226
Beds in medical establishment					
Hospitals	194,845	203,168	206,908	206,869	179,169
Gynaecology and obstetrics	22,466	23,994	24,471	24,403	20,026
Children	34,596	36,448	37,383	36,737	27,468
Babies, including premature	10,942	11,453	11,913	11,896	8,441
TB sanatoriums	6,520	5,319	4,990	4,990	4,965
Prevention centres	2,461	2,146	1,996	1,931	1,743
Inhabitants per hospital bed	114	112	112	112	127

4.2 DOCTORS, DENTISTS AND OTHER MEDICAL STAFF

Survey item	1980	1985	1990	1991	1992
Doctors	32,762	40,050	41,813	42,102	42,522
Inhabitants per doctor	678	567	555	551	536
Dentists	7,029	7,340	6,717	6,460	6,491
Inhabitants per dentist	3,159	3,096	3,455	3,589	3,511
Other medical staff					
Pharmacists	6,451	6,558	6,286	5,080	3,817
Paramedical staff	132,912	133,932	131,949	125,947	124,234
Auxiliaries	58,100	58,837	70,315	70,521	68,220

Over the period 1989 to 1993, diarrhoea-related illnesses were the most common ones registered. Second in the list in 1993 was chickenpox (varicella), with the number of cases rising by 150 % between 1990 and 1993. In contrast, the number of registered cases of viral hepatitis fell by almost 75 %.

In March 1993, there were approximately 2,600 registered cases of Aids, almost twice as many as in 1990. Over 90 % of those infected are children, most of them living in orphanages or hospitals. The virus was in most cases transmitted either directly by blood transfusions (intended as treatment for undernourishment or malnutrition) or indirectly through unsterilized needles.

4.3 NOTIFIED ILLNESSES

Illness	1989	1990	1991	1992	1993
Salmonella infections	2,718	2,259	1,236	1,301	.
Bacterial dysentery	11,160	7,382	7,530	8,107	8,702
Food poisoning	2,544	1,901	2,385	2,349	2,010
Other diarrhoea-related illnesses	113,360	96,006	95,908	97,314	95,624
Tuberculosis	14,676	16,256	14,275	16,719	.
Pertussis (whooping cough)	696	817	2,463	822	1,551
Streptococcal angina	.	13,080	11,252	12,733	14,635
Scarlet fever	5,838	4,526	2,460	1,992	1,859
Erypelas	2,560	2,077	2,008	2,193	2,306
Tetanus	.	34	23	37	30
Meningitis	.	270	254	279	221
Varicella (chicken pox)	.	28,506	38,447	47,993	72,011
Measles	3,870	4,690	1,773	6,061	28,321
Rubella	24,261	10,947	8,572	6,024	9,493
Viral hepatitis	81,366	74,745	50,681	26,829	20,374
Mumps	.	30,527	34,955	30,544	35,505
Syphilis (lues)	4,583	5,375	5,994	5,933	.
Leptospirosis	351	214	392	469	227
Trichinosis (helminthiasis)	947	1,031	1,527	2,147	.
Influenza	14,124	11,927	8,144	37,375	.
Aids ¹	.	1,347	1,845	2,253	2,635 ^a

1) Acquired Immune Deficiency Syndrome

a) As at 31 March 1994: 2,736.

As the following table shows, diseases of the circulatory system are by far the most frequent cause of death. In 1992, such cases accounted for 61 % of all notified deaths. Almost one quarter of these cases were diseases of the cerebrovascular system: there were many more deaths - around 41,000 - from this cause than from malignant neoplasms. Further major causes of death were diseases

of the respiratory organs and injuries and poisoning (approximately 21,000 and 17,000 deaths respectively).

4.4 RECORDED MORTALITY BY SELECTED CAUSE OF DEATH*

Cause of death	1980	1989	1990	1991	1992
Total	231,876	.	247,086	251,760	263,855
Infectious and parasitic diseases	1,571	1,414	1,159	868	861
Tuberculosis	830	1,285	1,602	1,695	1,961
Malignant neoplasms	29,976	32,775	32,984	33,550	34,856
Endocrinal diseases, nutritional and metabolic diseases and disorders of the immune system	1,502	2,240	2,827	2,911	2,879
Diseases of the nervous system and sensory organs	2,798	3,803	3,473	3,119	3,521
Diseases of the circulatory system	130,543	142,988	145,516	152,607	161,279
Diseases of the cerebrovascular system	31,899	38,998	38,826	40,026	41,275
Diseases of the cerebrovascular system	30,342	24,462	22,588	21,166	21,420
Diseases of the respiratory organs	10,079	12,388	11,672	12,011	13,193
Diseases of the urinary and sexual organs	3,587	3,680	3,411	3,324	3,324
Complications during pregnancy, childbirth and puerperium	527	626	263	183	157
Injuries and poisoning	14,893	17,285	17,760	16,874	16,927

*) According to the 1986 international classification of diseases, injuries and causes of death, 9th revision.

4.5 SELECTED VACCINATIONS FOR BABIES CHILDREN VACCINATED AS % OF TOTAL

Kind of vaccination	1988/89 A	1989/90 A	1990/92 A
Tuberculosis (BCG)	95	.	99
Triple injection ¹	96	96	97
Poliomyelitis	95	95	90
Measles	79	79	92

1) Diphtheria, pertussis (whooping cough) and tetanus.

5. EDUCATION

Under the 1948 Education Reform Law the whole of the public education sector was nationalized along Soviet lines. Following the introduction of seven years' compulsory schooling (in 1961/62), this was subsequently increased to eight years and finally to ten years at the beginning of the 1970s. Compulsory schooling was preceded by pre-school education for children aged between three and six. The compulsory general school with eight classes has two cycles: the primary cycle with years one to four and a follow-on cycle with years five to eight. The changeover is marked by the introduction of specialist subjects.

Those completing general education have the choice of various types of junior secondary schools. Further education leads either directly to production, to vocational school or to senior secondary school (with secondary leaving certificate and university entrance).

In some cases the national minorities have their own schools or special classes in which the children are taught in their mother tongue.

In socialist Romania education was seen as the most important way of reforming society. Through education in socialist values and behaviour the socialist type of "New Man" was to be created. In addition, the "democratization" of education was propagated. In this context, the offer of free educational facilities for the entire population became an important plank in the legitimization of the regime.

Public education for all led at the same time to the emergence of a working population that was supposed to become the cornerstone of permanent economic development. From pre-school to university, education was interpreted as a political process. As early as nursery school, goals were set such as love of the fatherland, loyalty to the state party and reverence of the Head of State, Ceaucescu. As part of the Marxist view of the working world to be created, equal opportunities for the sexes at work and the equality of mental and physical work were also propagated. Also to be imparted were socialist ideals which placed discipline and active involvement in the building of socialism above individual well-being and job success. Alongside ideological education, older children were increasingly involved in direct political work as part of organizations such as the

"Young Pioneers" or later the Communist Youth Organization. Participation in the work of these organizations, which were controlled by the Communist Party, was compulsory. Ideologically correct behaviour became a condition for advancement in the education system and was thus of crucial importance for future job prospects.

After the overthrow of the then Head of State, Ceaucescu, a thorough overhaul of the education system was announced, to be accompanied by de-ideologization of this sector. In the intervening years the Romanian government has come round to the view that a fundamental reorganization of the education system can only be achieved in the medium term.

Foreign experts criticize the traditional Romanian education system for its overcentralization and specialization (quite apart from the purely ideological distortions). The main purpose was to train the skilled workers and technicians which the economy required, in accordance with the central plan. With an open society, however, the main requirement is not for a plethora of technicians but for managers, social scientists and professional people working in the services sector. But this entailed sweeping changes to the syllabuses and the consequent provision of suitable teaching materials.

5.1 EDUCATIONAL ESTABLISHMENTS, PUPILS/STUDENTS AND TEACHING STAFF

Survey item	Unit	1980/81	1985/86	1990/91	1991/92	1992/93
Pre-school establishments						
Establishments	Number	13,467	12,811	12,529	12,600	12,603
Pupils	1,000	935.7	864.3	752.1	742.2	752.1
Teaching staff	1,000	38.5	33.5	37.0	36.3	36.4
Pupil/teacher ratio	Number	24.3	25.8	20.3	20.4	20.7
General schools ¹						
Establishments	Number	14,515	14,213	13,511	13,985	13,920
Pupils	1,000	3,337.7	3,060.0	2,730.3	2,639.3	2,572.5
Teaching staff	1,000	161.9	151.7	163.9	159.2	164.2
Pupil/teacher ratio	Number	20.6	20.2	16.7	16.6	15.7

(continued on next page)

5.1 EDUCATIONAL ESTABLISHMENTS, PUPILS/STUDENTS AND TEACHING STAFF *(continued)*

Survey item	Unit	1980/81	1985/86	1990/91	1991/92	1992/93
Vocational schools ¹						
Establishments	Number	603	753	707	717	717
Pupils	1,000	139.8	287.8	365.9	375.3	333.6
Teaching staff	1,000	2.0	2.5	4.2	5.3	5.2
Pupil/teacher ratio	Number	69.9	115.1	87.1	70.8	64.2
Technical colleges ¹						
Establishments	Number	300	296	310	384	589
Pupils	1,000	28.4	22.8	29.2	54.9	57.0
Teaching staff	1,000	0.3	0.1	1.0	1.3	1.6
Pupil/teacher ratio	Number	94.7	228.0	29.2	42.2	35.6
Specialized schools ¹						
Establishments	Number	971	981	1,198	1,209	1,238
Pupils	1,000	979.7	1,226.9	995.7	778.4	714.0
Teaching staff	1,000	46.5	47.5	51.7	55.0	58.2
Pupil/teacher ratio	Number	21.1	25.8	19.3	14.2	12.3
Higher educational establishments ²						
Establishments	Number	44	44	48	56	62
Pupils	1,000	192.8	159.8	192.8	215.2	235.7
Teaching staff	1,000	14.6	13.0	13.9	17.3	18.1
Pupil/teacher ratio	Number	13.2	12.3	13.9	12.4	13.0

1) Including schools for the mentally and physically handicapped.

2) Excluding private schools.

As part of the "democratization of education", which was one of the main demands of education policy in socialist Romania, there have at times been rapid increases in numbers enrolled over the past few decades (gross enrolment rates of over 100 % occur because pupils repeating years and older children were included). The secondary stage, in particular, was increasingly to be opened up to the children of manual and agricultural workers. In 1975 it was observed that 100 % of the relevant age group were following a ten-year elementary education. However, gross enrolment rates in the primary stage have shown a steady decline since way back in the early 1980s, whereas at the secondary stage the sharp fall did not occur until the beginning of the 1990s.

In the higher education sector the number of students as a proportion of their age group was in fact restricted to around one-tenth for a number of years. The bar on access was enforced by means of particularly difficult entrance examinations, which could only be passed with the help of many years' extra tuition by private teachers (it was estimated that 90 % of university entrants had received eight years' extra education). In practice the restrictions on access meant that many children of manual or farm workers were to all intents and purposes prevented from going on to higher education. The completely different conditions for access to educational establishments in urban and rural areas put the rural population, in particular, at a disadvantage as regards the prospects of higher education.

As Table 5.1 shows, there has been a sharp rise in numbers at universities over the past few years, both because the restrictions have been lifted and because youth unemployment has increased.

5.2 GROSS SCHOOL ENROLMENT RATES

(% of age group)

Stage of schooling	1980/81	1985/86	1989/90	1990/91	1991/92
Primary stage	102	98	97	92	90
Male pupils	102	98	97	87	90
Female pupils	101	98	97	97	90
Secondary stage	71	84	107	92	80
Male pupils	73	87	110	93	81
Female pupils	69	81	104	91	81
Tertiary stage	11.0	11.3	8.7	.	.
Male students	12.4	12.2	.	.	.
Female students	9.5	10.4	.	.	.

In Romania there are four categories of higher educational institution: universities, institutes, academies and conservatories. There are no clear dividing lines, however. In general, university-level education lasts for four to six years, depending on subject. The standard option is a "day course". Correspondence and evening courses are also possible, but they involve a longer period of study than day courses.

5.3 STUDENTS BY TYPE OF COURSE

(in thousand)

Type of course	1980/81	1985/86	1990/91	1991/92	1992/93
Total	192.8	159.8	192.8	215.2	235.7
Day courses	161.1	100.0	136.0	159.7	186.4
Evening courses	18.7	48.7	45.9	40.6	30.4
Correspondence courses	13.0	11.1	10.9	14.9	18.8

6. EMPLOYMENT

Up to the end of the 1980s, Romania had a relatively high percentage of its total population of working age (16 to 60 for men and 16 to 55 for women) in employment, since under the economic system in force at that time all those who wanted a job found one. This system led, however, to a great deal of underemployment or hidden unemployment. With unemployment becoming increasingly visible at the start of the 1990s, the percentage of the potential labour force who were actually employed fell sharply. Between the end of 1990 and 1991 alone, it fell by 1.9 percentage points to 77.8 %.

One feature of the structure of employment in Romania is the high percentage of working women. In 1991, they accounted for almost 47 % of the economically active population. In the nationalized sector, women worked mainly in the health and education services and were underrepresented in transport and construction. In any event, women were hit more severely than men by the drastic rise in visible unemployment at the beginning of the 1990s (cf. Table 6.6).

6.1 PERSONS OF WORKING AGE AND IN EMPLOYMENT

Survey item	Unit	1980	1985	1990	1991	1992
Persons of working age ¹	1,000	12,956.3	13,399.8	13,604.4	13,860.6 ^a	.
Percentage of the total population	%	58.1	58.8	58.7	59.8	.
Persons in employment ²	1,000	10,350.1	10,586.1	10,839.5	10,785.8	10,458.0
Male	1,000	.	5,828.3	5,838.2	5,726.8	.
Female	1,000	.	4,757.8	5,001.3	5,059.0	.
Percentage of potential labour force	%	79.9	79.0	79.7	77.8	.

*) As at the end of the year.

1) Persons aged 16 to 60 (women 55).

2) Excluding the armed forces.

a) Estimate.

6.2 PARTICIPATION RATES BY AGE GROUP

(Percentage of age group)

Age	Total	Male	Female	Total	Male	Female
	1997 ¹			1992 ²		
15 - 20	34.8	37.5	32.1	35.8	38.6	32.7
20 - 25	81.4	87.1	75.6	79.5	86.8	72.1
25 - 30	90.1	97.0	83.1	87.3	95.7	78.5
30 - 35	90.8	97.9	83.5	89.0	96.7	81.3
35 - 40	90.4	97.2	83.6	89.1	96.6	81.6
40 - 45	88.8	95.8	81.7	87.4	95.8	79.0
45 - 50	85.7	93.8	77.6	82.8	93.2	72.8
50 - 55	78.9	88.8	69.7	64.9	79.6	51.0
55 - 60	64.1	78.7	52.5	36.9	45.8	28.7
60 - 65	33.9	44.7	25.2	15.3	21.0	10.2
65 - 70	16.7	20.9	13.2	7.3	7.3	7.3
70 - 75	11.7	13.4	10.3	5.4	5.7	5.3
75 and over	6.8	8.2	5.9	2.0	2.6	1.7

1) Results of the population census.

2) 3 % sample estimate of the population census, provisional result.

As part of the reform of the economy after the Second World War there were sweeping changes in the structure of employment. With the collectivization of agriculture and the nationalization of industry, mining, banking and transport, most private economic activities ceased. As early as the first half of the 1950s, the first five-year plan along the lines of the Soviet model sparked off the rapid industrialization of the country. This economic strategy led to far-reaching changes in the structure of employment. The number of persons employed in agriculture fell sharply as a proportion of the total in employment, from about three-quarters in 1950 to somewhat under a third in 1980. At the same time the proportion employed in industry went up from 12 % to 36 %. This shift was bound up with extensive migration to the towns. In particular, young, relatively well-educated and ambitious people left the villages. As a result, the remaining rural working population comprised a high proportion of older people. The proportion of women in the agricultural labour force rose to well above the corresponding percentage in the total number of persons in employment.

The following data indicate changes in the structure of employment in Romania at the beginning of the 1990s. The figures are not directly comparable with data for previous years, since in the meantime there has been a changeover to the classifications used by the United Nations and the European Union to break down employment by sector of economic activity. It is clear, however, that agriculture has once again become a much more important element in the structure of employment. In the period 1990 to 1992 alone, the percentage of the total active population working in agriculture rose by 3.9 percentage points to 33.0 %. At the same time, the share of the services sector rose by 3.0 percentage points to 28.0 %, much of this rise being accounted for by banking and insurance, the distributive trades and hotels and catering. In contrast, there was a 6.4 point drop in employment in the industrial sector to 37.1 %, with most of the decline in manufacturing.

6.3 EMPLOYMENT BY SECTOR OF THE ECONOMY*

Sector	1990	1991	1992	1990	1991	1992
	1 000			%		
Total	10,839.5	10,785.8	10,458.0	100	100	100
Agriculture and forestry, fisheries	3,153.3	3,212.3	3,448.8	29.1	29.8	33.0
Industry	4,710.5	4,303.9	3,880.1	43.5	39.9	37.1
Energy and watersupply and regulation	132.6	153.9	163.7	1.2	1.4	1.6
Mining and quarrying	259.3	277.1	272.0	2.4	2.6	2.6
Manufacturing	3,719.2	3,372.0	2,865.2	34.3	31.3	27.4
Construction	599.4	500.9	579.2	5.5	4.6	5.5
Services	2,707.9	2,768.4	2,927.8	25.0	25.7	28.0
Distributive trade, hotels and catering	723.6	911.8	929.2	6.7	8.5	8.9
Banking , insurance and real estate	404.5	324.4	498.2	3.7	3.0	4.8
Transport and communications	764.9	689.3	648.6	7.1	6.4	6.2
Municipal, social and private services	814.9	842.9	851.8	7.5	7.8	8.1
Sectors not elsewhere specified	267.8	501.2	201.3	2.5	4.6	1.9

*) Excluding the armed forces. As at the end of the year.

6.4 WAGE- AND SALARY-EARNERS BY SECTOR OF THE ECONOMY, 1992*

Sector	Total		of which: private sector		Men	Women
	1,000	%	1,000	%	1,000	
Total	6,627.4	100	453.2	100	3,821.1	2,806.3
Agriculture and forestry, fisheries	549.5	8.3	38.1	8.4	418.7	130.8
Industry	3,574.1	53.9	131.6	29.0	2,198.0	1,376.1
Energy and watersupply and regulation	163.7	2.5	-	-	127.4	36.3
Mining and quarrying	271.9	4.1	0.8	0.2	227.5	44.4
Manufacturing	2,672.2	40.3	69.7	15.4	1,440.8	1,231.4
Construction	466.3	7.0	61.1	13.5	402.3	64.0
Services	2,329.9	35.2	260.6	57.5	1,119.3	1,210.6
Distributive trade, hotels and catering	586.0	8.8	185.6	41.0	238.4	347.6
Banking, insurance and real estate	306.4	4.6	62.5	13.8	145.6	160.8
Transport and communications	596.5	9.0	9.1	2.0	459.0	137.5
Municipal, social and private services	841.0	12.7	3.4	0.8	276.3	564.7
Sectors not elsewhere specified	173.9	2.6	22.9	5.1	85.1	88.8

*) As at the end of the year.

As the sample analysis of the January 1992 population census showed, even then 11.7 % of all persons in employment were self-employed. One of the main reasons for this relatively high figure was the widespread shedding of labour as the economy was restructured, which left those who lost their jobs little choice but to be unemployed or to attempt to set up their own businesses. This same shedding of labour is no doubt also one reason why so many women are self-employed: 5.8 % more women than men come into this category.

6.5 PERSONS IN EMPLOYMENT BY EMPLOYMENT STATUS*

(in percentage)

Employment status	Total	Men	Women
Total	100	100	100
Self-employed	11.7	9.1	14.9
Assisting family workers	1.5	1.1	2.0
Wage-and salary-earners	82.5	85.6	78.5
Not elsewhere specified	4.4	4.2	4.6

*) 3 % sample analysis of the population census, provisional result.

The socialist economic system in Romania, where there was no visible unemployment on any great scale, led to a great deal of hidden unemployment and underemployment and to a correspondingly low level of productivity. After the fall of Communism, however, visible unemployment shot up as a result of both economic restructuring and the production and sales problems which arose when the traditional trading relationships with partners in the Council for Mutual Economic Assistance (Comecon) disintegrated. There was an almost threefold increase in the number of unemployed between the end of 1991 and 1992. The average unemployment rate rose to 8.4 %, and the rate for women to 10.7 %. At the end of 1993, the average rate was 10.2 %, in May 1993 11.0 % and at the end of 1994 10.8 %.

6.6 REGISTERED UNEMPLOYED AND UNEMPLOYMENT RATES*

Survey item	Unit	1991	1992	1993	1994 ¹
Unemployed	1,000	337.4	929.0	1 164.7	1 257.6
Men	1,000	129.0	366.0	.	.
Women	1,000	208.4	563.1	.	.
Unemployed rate	%	3.0	8.4	10.2	11.0
Men	%	2.2	6.2	.	.
Women	%	4.0	10.7	.	.

*) As at the end of the year.

1) As at 16 May.

In 1992, Romania recorded a total of 195 labour conflicts involving around 0.4 million employees. Some two-thirds of these conflicts were in industry, but no information is available on the branch of industry to which those involved belonged.

When government subsidies on most goods and services stopped and value added tax was introduced, massive unrest followed during 1993. In August there was a wave of strikes in key sectors such as coal mines and railways, which slowed down economic growth considerably. Even though employees in those two sectors are among the best-paid workers in the country, they are traditionally ready to down tools. Miners, in particular, have a long history of labour conflicts going back to the early decades of this century. Miners in the Jiu valley even took the then Prime Minister hostage in 1977, during one of the few strikes of the Socialist era, forcing President Ceausescu to visit the site and negotiate with the strikers.

6.7 STRIKES AND LOCKOUTS BY SECTOR, 1992*

Sector	Strikes/lockouts		Workers involved
	Number	%	Number
Total	195	100	399,918
Agriculture and forestry, fisheries	7	3.6	.
Industry	132	67.7	.
Manufacturing	117	60.0	.
Services	50	25.6	.
Not elsewhere specified	6	3.1	.

7. AGRICULTURE, FORESTRY, FISHERIES

Romania has many natural advantages which should help to make the country's agricultural sector particularly productive. Although the Communist regime attached great importance to heavy industry, to the detriment of agriculture, Romania is still very much an agricultural country. Around 62 % of the total land area is used for agriculture, while about 27 % is wooded land. 46 % of the population live in rural areas (many of them, however, elderly people, in many cases women living alone) and 33 % of total employment is in agriculture, forestry or fishing. In 1992, this sector contributed 19 % of gross domestic product.

After the Second World War an important task for agriculture was to absorb as many workers as possible. Between 1950 and 1960 more than 6.2 million persons (almost two-thirds of the total number in employment) were working in this sector, but industrial growth and the extremely low incomes in agriculture led in the 1960s and 1970s to a massive exodus, particularly of young workers, to industry. By 1980, the number employed in agriculture had fallen by more than half. Government restrictions which made it more difficult to move to the towns prevented a further reduction. Whereas in Western Europe in the late 1980s there were eight persons employed for every 100 ha of utilised agricultural area, the corresponding figure for Romania was twenty. However, this reflects not only the low labour productivity of Romanian agriculture but also the consequences of excessive specialization, inflated management structures and inadequate planning and organization of work. Any analysis of these figures should also take account of the fact that many collective farms and large state-run holdings were not engaged exclusively in primary agricultural production but in other activities as well.

During the socialist era, Romanian agriculture was almost entirely controlled by the state via the Ministry of Agriculture and Food. Roughly nine-tenths of the agricultural area were taken into public ownership (55 % went to production cooperatives and the rest to the larger, capital-intensive state farms). Private ownership in this sector was tolerated only in places where natural conditions made the land unsuitable for large-scale production. Farmers could only survive and run their smallholdings privately in hilly and mountainous regions. The mainstays of Romanian agriculture were fruit and vegetables and livestock production.

In the wake of privatization, which began in the early 1990s, virtually all the land which once belonged to production cooperatives has been privatized. It has been restored to its former private owners or their heirs or to agricultural workers who had no restitution rights. The government granted land to over five million Romanians, with a maximum set at 10 ha per family. Around two-thirds of the land which had belonged to state holdings was transferred to municipalities or to private individuals, almost all of it pasture land. As a result of privatization, some 80 % of all arable land was in private ownership by 1992.

Since there were so many people with a claim to the land, however, the average size of plots has become very much smaller. It is now only 2 ha in the case of arable land or 3 ha overall. Since the size and location of many plots of land are still not absolutely clear, fewer than one million landowners had valid entries in the land register by mid-1994. This hampers both the planning of investments and the taking out of mortgages, as well as making it difficult to set up the larger holdings which would be more viable economically. In view of the negative experience of the past, the authorities have so far had little success in encouraging the formation of new, private cooperatives. Well over half of the new landowners are either already of pensionable age or no longer live on the land, but in cities, as a result of the forced industrialization of earlier years. Many of these owners have as a result decided to lease out their land, mostly to state farms or machinery and tractor stations.

In addition, the production methods previously imposed mean that even people still living on the land have very little experience of running an agricultural holding on their own. Many farmers therefore concentrate on supplying what they themselves need, some working the land only as a secondary occupation.

Privatization did not initially extend to the production stages which were linked vertically to agriculture, such as the processing/distribution of foodstuffs or the manufacture of inputs, which stayed in government hands. Like the state farms, they were to be included in the mass privatization programme which began in 1993, but progress was very slow. In the meantime, therefore, farmers were forced to rely on the readiness of these monopolistic organizations to cooperate with them, and this means, for example, that products which cannot be marketed on private country markets at free market prices still have to be delivered to state distribution/processing concerns.

Over the past few years, the government price regulation system for agricultural products has gradually been dismantled. However, since particularly important products such as cereals, meat and milk were amongst those whose prices were controlled long after most had been freed, there were persistent distortions in the structure of agricultural production as late as the start of the 1990s. Even with numerous attempts to offset the low prices fixed by the government by introducing concessionary rates for the purchase of inputs or by cheaper rates for bank loans, this ill-advised distribution of the means of production could not really be prevented. Experts consider this type of inconsistency to be one of the reasons for the crisis which hit Romanian agriculture in the early 1990s, even though the 1992 drought and technical problems have made the decline even more rapid.

After years of recession, when large areas of arable land remained unused, agricultural production and livestock herds went into rapid decline and extensive imports of foodstuffs were necessary, 1993 was the year when things took a turn for the better. For the first time since the beginning of reforms, almost all of the utilized agricultural area was worked, and agricultural production rose by over 10 %. The continued transformation of the agricultural scene is considered to be one of the essential requirements for further growth in this area.

7.1 LAND USE

Type of use	1985	1990	1991	1992	1985	1992
	1,000 ha				% of total surface area	
Arable land	9,985	9,450	9,424	9,357	41.9	39.3
Permanent crops	637	591	597	603	2.7	2.5
Permanent pasture and meadow	4,398	4,728	4,777	4,830	18.4	20.3
Wooded area	6,339	6,371	6,367	6,368	26.6	26.7
Other	2,480	2,699	2,674	2,681	10.4	11.2
Irrigated area	2,956	3,109	3,095	3,100	12.4	13.0

*) As at the end of the year.

70 % of the total utilized agricultural area was in private ownership in 1992 and 30 % in the public sector. The 80 % of arable land in the private sector was a particularly high figure, considering that only 52 % of permanent pasture and meadows were privately owned. The figure for permanent crops was 69 %.

7.2 UTILIZED AGRICULTURAL AREA, 1992

Form of ownership	Total	Arable land	Permanent pasture and meadow	Permanent crops
	1,000 ha			
Total	14,790.1	9,356.9	4,829.8	603.4
Private sector	10,395.2	7,465.7	2,510.6	418.9
Public sector	4,394.9	1,891.2	2,319.2	184.5

After substantial increases in stocks of machinery in almost all branches of agriculture in the first half of the 1980s, these stocks declined sharply during the second half of the decade, in some cases to well below 1980 levels. Since 1990 there have been increases in some types of machinery at least, in particular tractors, with a 15 % increase in numbers between 1990 and 1992 to almost 150,000. There is still a concentration of agricultural machinery at the machinery and tractor stations and on state holdings. In 1993, these stations still had over 50 % of the total tractor fleet, and state holdings over 23 %.

7.3 AGRICULTURAL MACHINERY*

Type of machine	1980	1985	1990	1991	1992
Tractors	146.6	184.4	127.1	132.8	146.8
Combine harvesters	35.2	49.1	35.8	34.5	34.5
Maize harvesters	3.8	14.4	4.9	3.1	2.9
Mechanical spraying and dusting machines	23.0	29.6	15.0	14.1	13.7
Tractor ploughs	103.1	120.4	73.2	73.4	80.7
Cultivators	40.2	38.0	27.3	23.9	23.2
Seed drills	49.0	50.4	35.8	35.0	37.0
Chemical fertiliser distributors	15.1	17.4	10.8	9.9	10.6
Multi-purpose forage harvesters	4.9	6.5	5.6	5.2	5.3
Forage harvesters	.	3.7	5.0	4.8	4.7
Straw and hay balers	22.1	22.3	21.7	20.7	21.6

*) As at the end of the year.

Private farmers were still dependent on the "integration stations" for their supplies of inputs. These stations include food processing and marketing enterprises authorized to advance working supplies and funding to farmers against fixed-price forward contracts to purchase agricultural output. Since they receive preferential treatment as regards government subsidies, these enterprises can provide inputs such as fertilizer, seeds, cattle feed and vaccines, or even loans, on favourable terms. State farms also count as "integration stations", and the same structure is found in machinery and tractor stations.

7.4 CONSUMPTION OF MINERAL FERTILIZERS

(Pure nutrient)

Survey item	Unit	1980	1985	1990	1991	1992
Fertilizer	1,000 t	1,113.5	1,199.2	1,103.1	463.7	421.5
Nitrogen (N)	1,000 t	646.3	674.8	656.1	274.9	257.8
Phosphate (P ₂ O ₅)	1,000 t	389.4	342.0	313.1	145.2	133.1
Potash(K ₂ O)	1,000 t	77.8	182.4	133.9	43.6	30.6
Consumption per ha ¹	kg	106.1	112.9	109.2	46.3	42.3

1) Of arable land and permanent crops.

With the exception of 1991, there was a steady decline in agricultural production between 1988 and 1992. In 1992, when the problems of restructuring the Romanian economy were exacerbated by a period of drought, there was a 24 % drop in output compared with the previous year and a 36 % fall compared with 1988. In 1993, when for the first time since the fall of Communism almost all the utilizable agricultural area could be worked, an annual 11 % increase in output was recorded, although even in that year agricultural production was 29 % lower than it had been in 1980.

7.5 INDEX OF AGRICULTURAL PRODUCTION

(1979/81 A = 100)

Kind of index	1988	1989	1990	1991	1992	1993
Total production	104.5	99.0	85.5	88.3	67.4	75.0
Per capita	100.6	94.9	81.8	84.2	64.1	71.2
Foodstuffs production	104.4	99.0	85.7	88.2	67.0	74.6
Per capita	100.5	94.9	82.0	84.1	63.7	70.8

The most important crops produced in Romania include cereals, maize, sunflowers, potatoes, sugar beet and tobacco. Conditions are also ideal for growing fruit and vines, both of which, however, saw cutbacks in the 1970s and 1980s.

In 1992, average yields of wheat and rye, as well as of barley, fell sharply, one of the reasons being the drought. Since there had also been cuts in areas under these crops, 1991 wheat and rye harvests were 42 % down in volume terms and barley 43 %. Although there had been a 30 % increase in the area under maize, the volume harvested fell by 35 % over the same period as a result of the 50 % reduction in average yield. In contrast, the volume of potatoes harvested rose by 39 % despite the 7 % smaller area under cultivation, since the average yield was increased by 50 %.

7.6 AREAS UNDER CULTIVATION, HARVEST VOLUMES AND YIELDS OF SELECTED CROP PRODUCTS

Survey item	Unit	1980	1985	1990	1991	1992
Wheat and rye						
Area under cultivation	1,000 ha	2,279	2,396	2,298	2,217	1,475
Harvest volume	1,000 t	6,340	5,600	7,379	5,559	3,228
Yield	dt/ha	27.8	23.4	32.1	25.1	21.9
Rice						
Area under cultivation	1,000 ha	20	38	40	22	16
Harvest volume	1,000 t	39	137	67	31	39
Yield	dt/ha	19.6	36.4	16.7	14.6	23.7
Barley						
Area under cultivation	1,000 ha	810	680	749	1,018	628
Harvest volume	1,000 t	2,349	1,763	2,680	2,951	1,678
Yield	dt/ha	29.0	25.9	35.8	29.0	26.7
Maize						
Area under cultivation	1,000 ha	3,288	3,090	2,467	2,575	3,336
Harvest volume	1,000 t	10,563	11,903	6,810	10,497	6,828
Yield	dt/ha	32.1	38.5	27.6	40.7	20.5
Oats						
Area under cultivation	1,000 ha	51	72	144	210	304
Harvest volume	1,000 t	47	93	234	258	508
Yield	dt/ha	9.2	12.8	16.2	12.3	16.7

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7.6 AREAS UNDER CULTIVATION, HARVEST VOLUMES AND YIELDS OF SELECTED CROP PRODUCTS *(continued)*

Survey item	Unit	1980	1985	1990	1991	1992
Sorghum						
Area under cultivation	1,000 ha	21	9	5	4	8
Harvest volume	1,000 t	29	8	4	6	5
Yield	dt/ha	13.6	8.5	6.7	15.8	5.5
Potatoes						
Area under cultivation	1,000 ha	286	321	290	235	219
Harvest volume	1,000 t	3,942	6,631	3,186	1,873	2,602
Yield	dt/ha	134.1	203.5	109.6	79.2	118.7
Soya beans						
Area under cultivation	1,000 ha	364	319	190	108	166
Harvest volume	1,000 t	435	308	141	179	126
Yield	dt/ha	12.0	9.6	7.4	16.5	7.6
Cabbage						
Area under cultivation	1,000 ha	30	21	27	28	33
Harvest volume	1,000 t	831	1,131	552	617	676
Yield	dt/ha	182.6	270.9	159.1	183.0	172.1
Pulses for seed						
Area under cultivation	1,000 ha	109	278	130	81	69
Harvest volume	1,000 t	99	282	112	80	75
Yield	dt/ha	9.1	10.1	8.6	9.9	10.9
Melons						
Area under cultivation	1,000 ha	12	28	34	48	47
Harvest volume	1,000 t	121	518	382	741	623
Yield	dt/ha	86.8	176.7	112.4	151.4	133.0
Sunflowers						
Area under cultivation	1,000 ha	508	466	395	477	615
Harvest volume	1,000 t	801	696	556	612	774
Yield	dt/ha	15.8	14.9	14.1	12.8	12.6
Tomatoes						
Area unSugar beetder cultivation	1,000 ha	75	70	51	46	52
Harvest volume	1,000 t	1,198	1,905	814	693	831
Yield	dt/ha	138.9	223.5	144.4	137.6	147.8

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7.6 AREAS UNDER CULTIVATION, HARVEST VOLUMES AND YIELDS OF SELECTED CROP PRODUCTS *(continued)*

Survey item	Unit	1980	1985	1990	1991	1992
Sugar beet						
Area under cultivation	1,000 ha	238	276	163	202	180
Harvest volume	1,000 t	5,298	6,145	3,278	4,703	2,897
Yield	dt/ha	222.8	223.0	201.5	233.3	161.0
Tobacco						
Area under cultivation	1,000 ha	44	35	17	10	7
Harvest volume	1,000 t	37	26	14	14	8
Yield	dt/ha	8.6	7.4	8.4	14.1	11.7
Onions (dried)						
Area under cultivation	1,000 ha	39	30	27	25	36
Harvest volume	1,000 t	282	366	225	219	339
Yield	dt/ha	70.2	112.7	82.8	89.4	94.8
Pepper (green)						
Area under cultivation	1,000 ha	22	26	23	19	21
Harvest volume	1,000 t	175	318	182	167	182
Yield	dt/ha	80.2	116.2	78.9	85.5	85.1
Grapes						
Area under cultivation	1,000 ha	259	249	224	225	235
Harvest volume	1,000 t	1,237	824	954	849	905
Yield	dt/ha	46.3	32.0	42.5	37.6	38.2
Harvest volume						
Plums	1,000 t	579	817	450	419	347
Apples	1,000 t	392	699	683	504	541
Pears	1,000 t	77	119	74	58	63
Peaches	1,000 t	55	63	53	44	37
Cherries	1,000 t	67	89	68	60	73
Apricots	1,000 t	33	43	48	26	41
Nuts	1,000 t	34	39	26	18	22
Stawberries	1,000 t	32	27	18	14	13

In livestock farming, there has been less privatization than in crop farming, but the extent to which holdings have been privatized depends on the kind of livestock. In 1993, state holdings still owned 19 % of cattle, 50 % of pigs, 15 % of sheep and goats and 50 % of poultry stocks. In this area, too, most private farms are small

holdings. The average farm, for example, has two dairy cows.

7.7. LIVESTOCK POPULATIONS*

Kind of livestock	Unit	1979/81 A	1990	1991	1992	1993
Horses	1,000	564	663	670	749	721
Cattle	1,000	6,047	6,291	5,381	4,355	3,683
Cows	1,000	2,080	2,468	2,123	2,266	2,025
Buffalo	1,000	228	180	180	170	170
Pigs	1,000	10,926	11,671	12,003	10,954	9,852
Sheep	1,000	15,766	15,435	14,062	13,879	12,079
Goats	1,000	378	1,017	1,005	954	805
Hens	Mill.	89	114	121	106	88
Laying hens	Mill.	44 ¹	49	51	50	42
Bees	1,000 colonies	1,117 ¹	1,201	1,091	1,207	780

*) As at the beginning of the year.

1) 1981.

With numbers of animals slaughtered generally declining or stagnating, total meat production was 14 % lower in 1993 than in the previous year, largely because of the drop in poultry output (52 %) and in beef and veal (14 %). Over the same period, however, 2 % more pigmeat was produced.

7.8 SLAUGHTERINGS

(in thousand)

Live of livestock	1979/81 A	1990	1991	1992	1993
Cattle, including calves	1,958	1,400	2,718	2,178	1,810
Buffalo	62	25	25	25	25
Sheep and lambs	4,459	4,400	6,003	6,398	6,000
Goats	303	536	507	468	390
Pigs	12,436	11,000	10,690	10,112	10,307

7.9 PRODUCTION OF SELECTED ANIMAL PRODUCTS*

(in thousand tonnes)

Product	1979/81 A	1991	1992	1993
Meat	1,777	1,713	1,547	1,328
Beef and veal ¹	309	385	305	255
Mutton and lamb ²	76	97	102	95
Pigmeat	970	834	789	804
Poultry	413	380	337	160
Cows' milk	3,987	3,619	3,463	2,900
Ewes' milk	347	442	398	390
Hens' eggs	324	343	290	300
Honey	14	8	10	10
Wool, raw (greasy), basis	37	33	28	34
Cattle hides, raw	44	60	49	40
Sheepskins, raw	12	16	17	16

*) Data from the FAO, Rome.

1) Including buffalo meat.

2) Including goat.

7.10 AVERAGE ANIMAL PRODUCTION FIGURES

Survey item	Unit	1980	1989	1990	1991	1992
Milk per cow ¹	l	1,831	1,892	2,063	2,203	2,305
Milk per ewe	l	33	34	34	35	35
Wool per sheep ²	kg	2.64	2.43	2.85	2.79	2.51
Eggs per laying hen	Eggs	149	140	163	143	139

1) Including buffalo milk.

2) Raw (greasy) wool basis.

Until around the end of the last century, when almost 40 % of Romania's territory was still wooded, Romania was regarded as one of the most heavily forested areas of Europe. Indiscriminate felling far in excess of natural regeneration capacity led to a reduction in wooded land, especially in the inter-war and post-war periods.

In terms of wooded area as a proportion of the country's total area, Romania is nowadays in a mid-table position in Europe with around 27 %, some two-thirds of which is covered by deciduous woods. The Carpathians, with their very extensive beech, fir and oak forests, are the main forestry area.

Since the beginning of the 1980s, there has been much less afforestation than previously. In 1992, approximately 12,500 ha were afforested, 75 % less than in 1980.

7.11 AFFORESTATION

(in ha)

Survey item	1980	1985	1989	1990	1991	1992
Total	50,254	42,380	41,409	25,489	15,832	12,556
Planting	49,030	41,994	41,297	25,345	15,563	12,345
Conifers	28,655	19,381	12,831	9,195	6,256	5,016
Broadleaf trees	20,375	22,613	28,466	16,150	9,307	7,329
Sowing	1,224	386	112	144	269	211
Conifers	435	172	81	67	74	51
Broadleaf trees	789	214	31	77	195	160

Over-felling and inadequate rejuvenation measures have not only brought about a long-term reduction in the total wooded area but also caused annual yields per hectare to fall below their natural potential. In view of the clear signs of lasting damage to woodland, a long-term programme to conserve and extend the forests was adopted in 1976. It included increased efforts to extend the wooded area through the afforestation of wasteland and other land that could not be used for agriculture. In addition, the rejuvenation of the high forest through clear felling was to be reduced and timber extraction limited to 20 million cubic metres annually. But this programme did not do much to help conserve forestry resources in the long run. Until the middle of the 1980s, its provisions on the limitation of timber extraction were often not heeded, but subsequently annual quantities felled were reduced substantially, to between 13 and 14 million cubic metres a year at the beginning of the 1990s.

7.12 TIMBER EXTRACTION

(in thousand m³)

Survey item	1980	1985	1990	1991	1992 ¹
Total	18,336	23,004	13,304	13,657	13,657
Broadleaf	10,655	15,190	8,074	9,371	9,371
Commercial timber	14,240	18,435	10,725	10,961	10,961
Firewood and wood for charcoal	4,096	4,569	2,579	2,696	2,696

1) Estimate.

By international standards Romania's fishing industry is modest. Although the deep-sea fishing fleet has grown overall in the last 20 years, numbers began to decline at the start of the 1990s. In 1993 the fishing fleet still comprised 45 ships of 100 GRT or more, with a total tonnage of around 118,000 GRT.

The main fishing areas are the Black Sea and the Atlantic. Total catches from both deep-sea fishing and inland waterways fell sharply between 1987 and 1991, but total deep-sea catches rose by 7 % in 1991 compared with 1990.

7.13 FISHING VESSELS*

Survey item	Unit	1980	1985	1990	1992	1993 ¹
Vessels	Number	40	50	52	48	45
Tonnage	GRT	120,833	131,555	138,992	124,293	117,835

*) Vessels of 100 GRT or more; as at the middle of the year.

1) As at the end of the year.

7.14 CATCHES

(in thousand tonnes)

Type of catch	1987	1988	1989	1990	1991
Total	264,4	267,6	224,8	127,7	125,8
Freshwater fish	65,9	76,0	65,9	47,4	39,9
Brackish water	2,4	1,7	1,2	1,0	0,9
Sea fish	196,1	190,0	157,7	79,3	85,0
Sardines	16,6	26,8	20,1	20,1	25,9

8. INDUSTRY

In 1992, industry generated 49 % of gross domestic product at market prices. 37 % of the total working population of Romania were employed in this sector.

After the Second World War Romania's economy initially developed in more or less the same way as that of the other countries with a centrally planned economy. Almost all means of production passed into state ownership or were placed under state control. Responsibility for state planning was vested in the State Planning Committee, which set the targets in accordance with the directives of the Communist Party. Execution of the plan was the task of the Government through the various sectoral ministries. The strictly regulated prices played no part in the allocation of means of production.

In the following decades there were repeated attempts to reform the system and in particular to introduce elements of decentralization. There were also tentative efforts to make the price system effective, but until the revolution in 1989 the basic features of the central state planning system remained unchanged.

In previous decades the preferential treatment accorded to heavy industry, the concentration on large prestige projects, the industrial policy aimed at a large measure of autarky and the accelerated reduction of foreign debts all led to fundamental mismanagement of the overall economy, and especially of industry.

While light industry was neglected, even in the early 1950s some nine-tenths of all industrial investment went to heavy industry, especially to huge combines in the metalworking and chemical industries. However, many large combines often utilized only half or slightly more than half of their capacity, the main reasons being sales difficulties or shortages of energy or raw materials. Shrinking oil production contrasted starkly with vast overcapacity in the petrochemical industry. Even the mechanical engineering and car and tractor manufacturing sectors were far too big in relation to the low sales potential. Romanian industry as a whole was repeatedly hampered by the permanent energy shortage, since energy production targets were frequently not met.

The import-avoidance policy associated with the rigorous reduction of foreign debts had serious effects on the efficiency and competitiveness of production, since it led to plant and technology becoming obsolete. The technology gap between Romanian and Western industries is estimated by experts at several decades, with consequent excessive consumption of raw materials and energy per unit of output.

Immediately after the change of regime, industrial output plummeted. As early as 1990 it was 20 % lower than in the mid-1980s, and in 1991 it fell by another 20 %, followed by a further 22 % drop in 1992. One of the reasons for this decline was the haphazardness of structural reforms, which frequently failed to achieve the desired effect because the necessary accompanying measures were simply not in place or urgent problems were tackled in ways which could not be reconciled with the reform process. Production was also extremely energy-intensive, and with the prices of energy - most of which was imported - rising to match world market levels this was a further factor leading to collapse.

However, in 1993 industrial output rose by around 1 %, and a 2 % rise was expected for 1994. But this apparently encouraging result went hand-in-hand with a further delay in the privatization programme as industrial enterprises, most of which were still state-run, continued to churn out products which were virtually or totally non-saleable. Hopes that the privatization of industrial production will speed up on a long-term basis are now pinned on a privatization law planned for 1995.

In the meantime, the fears of senior managers that they will lose their influential positions in the state industrial apparatus are a serious barrier to privatization, as is the assumption that the privatization of large industrial concerns and the concomitant rationalization could lead to a sharp increase in unemployment which would in turn lead to social unrest.

The data in the table below cover the energy and water supply sectors together with mining and quarrying and manufacturing, but not the construction industry (data for which are at the end of this chapter). As the summary table shows, only 1.5 % of all those employed in industry were working in the few private enterprises officially registered in 1992.

8.1 ENTERPRISES AND EMPLOYEES IN INDUSTRY BY FORM OF OWNERSHIP

Form of ownership	1985	1990	1992	1985	1990	1992
	Enterprise ¹			Employees ²		
	Number			1,000		
Total	1,913	2,241	2,920	3,504	3,702	3,033
State-owned enterprises	1,456	1,683	1,817	3,181	3,365	2,783
subordinate to central government	1,418	1,612	1,759	3,125	3,298	2,762
subordinate to regional authorities	38	71	58	56	68	21
Cooperatives	457	558	727	323	337	174
Private enterprises	.	.	341	.	.	45
Other	.	.	35	.	.	31

1) As at the end of the year.

2) Annual average. Employees in production only.

Before the 1989 revolution, Romania had many large-scale enterprises linked together vertically and horizontally. Almost half of total industrial output was accounted for by enterprises with 3,000 or more employees. After the revolution, the number of industrial concerns with more than 1,000 employees fell steeply, whilst the number with 500 or fewer employees showed a sharp rise.

8.2 INDUSTRIAL ENTERPRISES BY SIZE CLASS*

Size class ... to ... employees	Total			Central government		
	1985	1990	1992	1985	1990	1992
Total	1,913	2,241	2,920	1,418	1,612	1,759
up to 200	97	169	1,028	85	97	.
201 - 500	337	456	653	183	218	.
501 - 1 000	443	538	500	249	318	.
1 001 - 2 000	466	515	392	360	433	.
2 001 - 3 000	244	245	170	218	230	.
3 001 - 5 000	190	197	107	187	195	.
5 001 or more	136	121	70	136	121	.

*) As at the end of the year.

Total output of goods was 37 % lower in 1992 than it had been in 1990. Whereas the output of the energy and water supply sectors declined by only 15 %, and of mining and quarrying by only 17 %, the drop in the output of manufacturing industry was 40 %.

8.3 INDEX OF INDUSTRIAL PRODUCTION*

(1985 = 100)

Type of index	1990	1991	1992	1993
Total	79.9	64.2	50.1	50.5
Energy and water supply	82.6	75.7	70.2	.
Mining and quarrying	78.1	65.8	65.1	.
Manufacturing	80.0	63.7	48.1	.

*)Adjusted data.

Romania was one of the first countries to produce oil on a large scale. Between the two World Wars it became the sixth-biggest oil producer in the world. From the 1880s to 1959 it was an oil-exporting country, but long and intensive exploitation has now largely exhausted the deposits. From its peak of around 15 million t in 1976, annual oil production fell rapidly until in 1993 under 7 million t were produced. The capacity of the petrochemical industry, which had been considerably expanded in the early 1970s in particular, could subsequently be only partially utilized owing to declining domestic oil production. Despite substantial imports of crude oil, production plants were never used to full capacity. Even in the early 1960s Romania's exports of petroleum products were based partly on imported crude. In 1977 the cost of oil imports exceeded the earnings from exports of refined products for the first time. In 1980 the deficit on foreign trade in oil and petroleum products amounted to US-\$ 1,5 billion. The causes were temporary price increases for crude, a steady decline in Romania's own production of crude and increasing domestic consumption. Although this deficit was reduced in subsequent years thanks to a cutback in imports of crude oil (and other types of energy) and increased exports of refined products, these measures had an adverse effect on domestic utilization of energy.

Industry came relatively well out of all this (even though in many cases it was forced to make production cutbacks or to close down temporarily), while households had to bear the brunt. For many years the population had to make drastic energy savings. Rooms could only be heated by the hour and the room temperature permissible in winter was lowered considerably; other forms of energy consumption, too, were subject to severe restrictions.

Romania's energy-producing industry is saddled with burdens from the past which it will be difficult to shed in the short term, one of the most serious being the high energy consumption of the country's industrial sector, which is many times more energy-intensive than the equivalent sectors in Western Europe. The radical restructuring of the energy sector begun in the early 1990s is thus all the more important.

One of the most important steps towards this restructuring has been the establishment of independent state enterprises for the production and distribution of the various types of energy. As prices were set free in other sectors of the economy, energy prices were liberalized as well in line with price ratios prevailing in other countries or domestic production costs. In the first two years after 1989, energy prices paid by the Romanian economy rose 10- to 15-fold in real terms. A further objective was to set up investment structures which would improve the efficiency of the energy sector. However, the sector remained under government ownership under the responsibility of the Ministry for Industry, which devises energy-policy targets and strategies.

With installations in such a sorry state, there are still heavy losses in the production and distribution of energy. The industry is also responsible for much of the environmental pollution in the country.

Between 1985 and 1993, total electricity consumption fell by 31 % (in 1992 around 15 % of the total energy consumed was electricity). Whereas industry had used 77 % of the electricity produced in 1990, it used only 72 % in 1993, when households used 14 % as against the 8 % they had used in 1992.

8.4 POWER STATION CAPACITY, ELECTRICITY PRODUCTION AND CONSUMPTION

Survey item	Unit	1980	1985	1990	1991	1992	1993
Power station capacity	MW	16,019	19,576	22,479	22,268	22,177	.
Thermal	MW	12,654	15,154	16,820	16,580	16,442	.
Hydroelectric	MW	3,455	4,421	5,657	5,687	5,735	.
Electricity production	Mill. kWh	67,486	71,819	64,309	56,912	54,195	55,448
Thermal	Mill. kWh	54,849	59,922	53,328	42,662	42,495	42,683
Hydroelectric	Mill. kWh	12,637	11,896	10,980	14,249	11,700	12,765
Electricity consumption	Mill. kWh	63,883	71,223	67,856	58,095	52,873	49,484
Industry ¹	Mill. kWh	49,649	55,896	52,173	41,652	36,284	35,654
Agriculture and forestry	Mill. kWh	2,821	3,948	3,180	4,207	2,182	2,400
Construction	Mill. kWh	1,501	1,308	1,342	783	664	558
Transport and communications	Mill. kWh	1,924	2,430	2,614	2,331	2,827	2,233
Households	Mill. kWh	4,889	4,814	5,353	6,747	7,596	7,059

1) Including power stations' own consumption.

As already mentioned, petroleum production plummeted after the mid-1970s. It fell by 29.5 % between 1988 and 1992 alone before there was an upturn, with an increase of just under 1 % in 1993. Similar trends were noted for other energy sources and other major products of mining.

8.5 PRODUCTS OF MINING, INCLUDING SALT; QUARRYING

Product	Unit	1988	1989	1990	1991	1992	1993
Hard coal and anthracite	1,000 t	11,568	11,583	5,950	5,411	5,623	.
Brown coal and lignite	1,000 t	51,349	54,879	34,897	29,794	35,615	.
Iron ore (Fe content)	1,000 t	2,252	2,482	2,002	1,461	1,229	.
Copper ore (concentrate)	1,000 t	50.2	47.8	32.0	26.4	24.7	25.0
Lead ore (concentrate)	1,000 t	36.2	39.4	25.1	16.2	16.7	16.8
Zinc ore (concentrate)	1,000 t	58.0	55.5	36.0	26.3	25.8	27.7
Bauxite	1,000 t	435	345	247	200	175	187
Salt	1,000 t	5,353	5,038	4,262	3,255	2,556	.
Petroleum	1,000 t	9,389	9,173	7,928	6,791	6,615	6,673
Natural gas	Mill. m ³	36,804	32,951	28,336	24,807	22,138	21,309

The most important branch of manufacturing industry as regards employment is mechanical engineering, which provided jobs for around 17 % of employees in industry in 1992. 12 % were employed in textiles, 9 % in the motor vehicle industry and 8 % in foodstuffs.

8.6 ENTERPRISES AND EMPLOYEES IN MANUFACTURING BY SELECTED BRANCH, 1992

Branch	Enterprises ¹	Employees ²
	Number	1,000
Total	2,879	2,691.6
Food products	541	214.3
Tobacco products	1	7.9
Textiles	371	315.1
Wearing apparel	376	182.9
Leather goods including footwear	120	97.5
Wood and wood products	73	132.2
Paper and board	37	33.7
Chemicals	91	144.1
Refined petroleum products	14	42.1
Plastic and rubber products	61	53.1
Other non-metallic mineral products	153	145.2
Basis metals	70	175.2
Fabricated metal products	263	127.4
Machinery and equipment	197	445.9
Electrical and electronic equipment	101	166.1
Transport equipment	95	235.2

1) As at the end of the year.

2) Annual average. Production workers only.

The losses in manufacturing output recorded in 1991 and 1992 continued into 1993 in various branches, although they were less severe. Some branches were able to record upturns in 1993, among them transport equipment, which saw a 25 % rise in output.

8.7 INDEX OF PRODUCTION, MANUFACTURING, BY SELECTED BRANCH

(1985 = 100)

Branch	1990	1991	1992	1993
Total	80.0	63.7	48.1	.
Food products	90.3	76.1	61.8	53.3
Tobacco products	85.6	87.5	87.0	75.8
Textiles	87.0	76.4	53.1	51.6
Wearing apparel	86.4	80.7	56.3	53.2
Leather goods including footwear	93.1	82.4	58.4	57.0
Wood and wood products	70.0	55.8	45.4	41.0
Paper and board	73.2	51.2	37.8	34.7
Chemicals	71.2	53.0	40.5	42.1
Refined petroleum products	92.6	59.3	52.6	52.2
Plastic and rubber products	79.0	60.1	42.2	44.4
Other non-metallic mineral products	72.4	55.9	45.1	44.9
Basis metals	72.2	53.5	37.5	39.8
Fabricated metal products	63.8	55.8	39.2	35.8
Machinery and equipment	70.1	48.7	37.6	38.2
Electrical and electronic equipment	104.6	77.9	51.7	54.9
Transport equipment	69.0	54.8	39.0	48.7

The following table illustrates the serious decline in the output of selected manufactures in the early 1990s which mirrored the general downward trend in the economy. Among those products where this trend was reversed in 1993 were motor spirit and light heating oil, pig iron and crude steel, rolled steel finished products, vehicles, refrigerators, washing machines and television sets.

8.8 PRODUCTION OF SELECTED MANUFACTURES

Product	Unit	1988	1989	1990	1991	1992	1993
Motor spirit	1,000 t	6,594	6,074	4,667	3,122	2,923	3,070
Heating oil, light	1,000 t	8,349	8,306	6,332	3,895	3,693	3,734
Heating oil, heavy	1,000 t	9,954	10,172	8,126	4,969	3,855	3,690
Blast-furnace coke	1,000 t	5,751	5,870	3,942	2,608	2,902	.
Metallurgical coke	1,000 t	5,228	5,322	3,701	2,388	2,648	2,403
Cement	1,000 t	13,124	12,225	9,468	6,692	6,271	.
Roof tiles	Mill.	114	92	49	48	60	.
Precast concrete parts	1,000 m ³	6,479	6,277	3,451	1,585	946	342
Pig iron	1,000 t	8,941	9,052	6,355	4,525	3,111	3,203
Crude steel	1,000 t	14,314	14,411	9,761	7,130	5,376	5,446
Rolled steel finished products	1,000 t	10,355	10,263	6,787	5,161	3,865	4,116
Steel pipes	1,000 t	1,569	1,360	1,041	627	449	417
Primay aluminium pig	1,000 t	279	282	178	167	120	116
Aluminium oxide	1,000 t	620	611	440	310	280	.
Tractors	1,000	32	17	26	22	21	.
Motor cars ¹	1,000	141	144	100	84	74	94
Buses and trolley buses	Number	1,706	1,568	1,327	1,005	633	420
Bicycles	1,000	181	190	136	107	67	.
Domestic refrigerators	1,000	442	470	393	389	402	432
Domestic washing machines	1,000	236	204	205	188	159	161
Radios	1,000	623	590	438	435	83	72
Television sets	1,000	511	511	401	389	318	372
Sulphuric acid (100 % H ₂ SO ₄)	1,000 t	1,825	1,687	1,111	745	572	528
Sodium hydroxide (100 % NaOH)	1,000 t	918	889	632	471	452	372
Fertilizers	1,000 t	821	763	552	461	372	324
Nitrogen	1,000 t	2,130	2,035	1,249	824	1,086	.
Phosphate	1,000 t	725	648	387	216	260	.
Plastics	1,000 t	653	640	474	350	272	252
Synthetic rubber	1,000 t	161	149	102	55	36	30
Soap	1,000 t	32	31	36	27	14	17
Window glass (2 mm thick)	Mill. m ²	76	76	57	46	44	46
Sawn timber	1,000 m ³	3,891	3,788	2,932	2,443	2,094	1,872

(continued on next page)

8.8 PRODUCTION OF SELECTED MANUFACTURES *(continued)*

Product	Unit	1988	1989	1990	1991	1992	1993
Paper	1,000 t	580	552	427	307	262	252
Newsprint	1,000 t	75	70	67	57	52	60
Cotton fabric	Mill. m ²	689	709	536	437	289	264
Wool fabric	Mill. m ²	133	141	107	100	69	60
Silk fabric	Mill. m ²	140	142	107	98	81	.
Footwear	Mill. Pairs	109	118	88	68	44	44
Sugar, total	1,000 t	580	716	538	348	290	.
From sugar beet	1,000 t	255	311	366	338	250	132
Tinned fruit	1,000 t	171	117	124	71	48	.
Tinned vegetables	1,000 t	370	257	190	139	118	.
Edible oils	1,000 t	325	248	270	236	216	240
Butter	1,000 t	40	46	33	23	20	14
Cheese products	1,000 t	73	82	94	71	49	40
Meat products	1,000 t	282	279	365	260	184	132
Beer	1,000 hl	10,655	11,513	10,527	9,803	10,014	9,132
Wine	1,000 hl	6,425	4,632	4,705	5,008	4,707	.
Tobacco products	1,000 t	33	33	27	26	26	23

1) Including utility vehicles.

In the 1980s and early 1990s, there was a sharp fall in the number of buildings constructed by the state and the cooperative sector. Between 1980 and 1992, the number completed annually dropped by 93 % and their useful area by 89 %. There was, however, a sharp rise in the number of private dwellings and in their useful area in 1991, and an even sharper rise in 1992, when 23 % more dwellings were built than in 1980, with an 18 % increase in useful area. Private dwellings now accounted for almost 50 % of the total completed useful area as against only 8 % in 1980.

8.9 COMPLETED DWELLINGS

Survey item	Unit	1980	1985	1990	1991	1992
Total	1,000	197.8	105.6	48.6	28.0	27.5
	1,000 m ² useful area	11,252	6,071	3,136	1,853	2,175
State and cooperative	1,000	186.6	97.0	42.8	21.5	13.7
	1,000 m ² useful area	10,338	5,377	2,654	1,341	1,096
Private	1,000	11.2	8.6	5.8	6.4	13.8
	1,000 m ² useful area	914	694	482	512	1,079

9. FOREIGN TRADE

The figures for Romania's trade with the rest of the world which have been used in this chapter have been supplied by the Romanian National Commission for Statistics, and figures for the country's bilateral trade with the European Union by the Statistical Office of the European Communities (Eurostat).

The data are from customs sources. Import values have been recorded cif and exports fob.

The classification of goods used is the Standard International Trade Classification, (SITC), Revision 3, a trade classification produced by the United Nations for economic analyses.

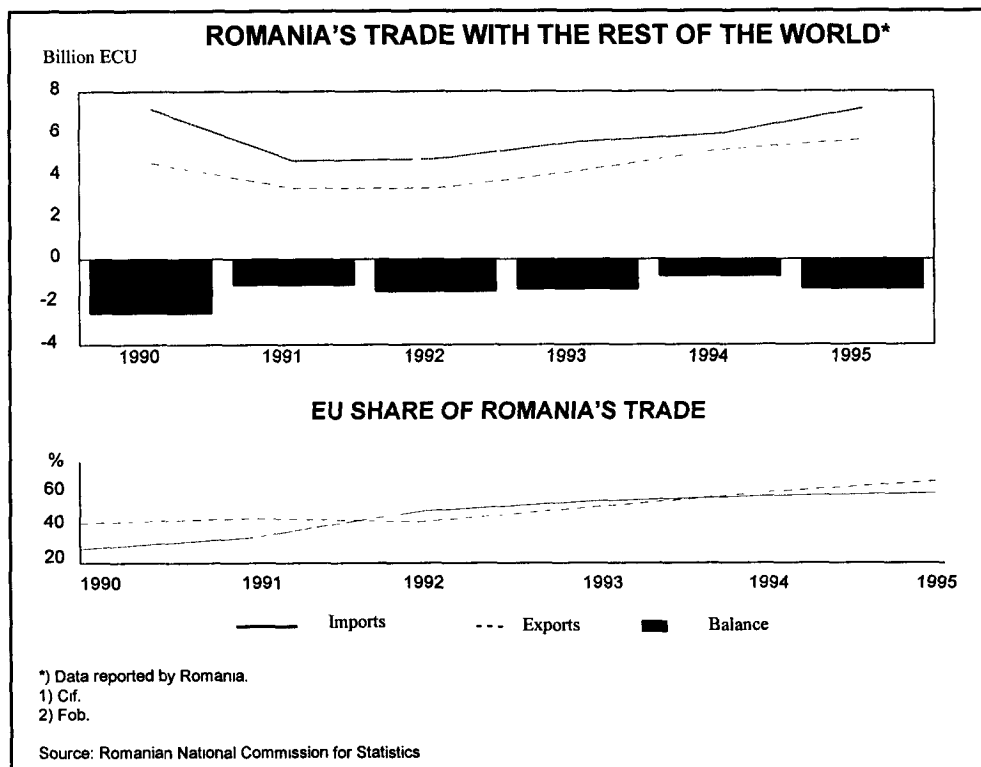
Any discrepancies noted in the figures from the two different sources for Romania's trade with the Union's Member States are due in part to the use of differing concepts and methods.

Data from Romanian sources describe flows between Romania, the reporting country, and the rest of the world, the "partner country". The countries of destination for exports are those where it is intended that the goods shall be consumed, and the countries of origin for imports are those where the goods were produced or last processed. Imports cover both goods imported directly for consumption and those removed from customs warehouses or free zones for consumption. Exports include national goods, imported goods which have been the subject of customs transactions and goods transported by cable or pipeline.

In the *data from Eurostat sources*, goods imported from Romania are those released into free circulation and/or for consumption upon arrival or when they leave the warehouse, imports for inward processing and imports after outward processing. Exports are exports of goods originating in the Union or in free circulation there, exports after inward processing and exports for outward processing.

ROMANIA'S TRADE WITH THE REST OF THE WORLD

During the 1980s, Romania's policy of restricting imports in order to reduce its external debt led to substantial export surpluses. In 1985 the surplus was ECU 2 300 million and in 1989 it was still as high as 1 900 million. Subsequently, the collapse of the socialist regimes in Europe led to the disruption of Romania's traditional trade links with the former Eastern bloc countries, and Romanian products could not compete on the world market. These two factors together led to a sharp fall in the volume of foreign trade in real terms and to large import surpluses.



With some 0.2% of world trade in 1995, Romania was in roughly fortieth place in the world ranking. It imported 8.5% and exported 8.3% of the CEEC totals.

Alongside the decline in real-term GDP which began in 1987 and worsened at the beginning of the 1990s (it was -7.1% in 1990 and -14.9% in 1992), there was a marked decline in trade in nominal terms. In 1991 this indicator dropped 31% before stabilising in 1992.

Between 1993 and 1995, trade flows picked up considerably, with an annual rate of increase of 14.5% for imports and 18.8% for exports. At some ECU 7 200 million, Romania's purchases climbed back up to their 1990 level in nominal terms. The 20.4% rise in imports recorded in 1995 was the highest the country had seen since the beginning of the decade. Exports rose by 23.9% between 1990 and 1995.

9.1 ROMANIA'S TRADE BY MAJOR PARTNER COUNTRY

(in billion ECU)

Partners	Imports ³				Exports ⁴				Balance		
	1990	1995		95/94	1990	1995		95/94	1990	1995	95/94 Value
		Share (%)	Var. (%)	Share (%)		Var. (%)					
World	7.16	7.19	100.0	20.4	4.61	5.75	100.0	11.2	-2.55	-1.45	-0.64
EU	1.44	3.29	45.8	23.8	1.45	2.94	51.1	23.4	0.01	-0.36	-0.07
<i>Germany</i>	0.85	1.23	17.1	14.7	0.51	1.02	17.8	23.3	-0.34	-0.21	0.04
<i>Italy</i>	0.08	0.95	13.2	34.6	0.41	0.90	15.6	34.0	0.32	-0.06	-0.02
CEEC ¹	1.04	0.41	5.6	27.5	0.53	0.31	5.4	-15.9	-0.51	-0.09	-0.15
NIS ¹⁻²	1.70	1.19	16.5	10.5	1.12	0.32	5.6	-7.1	-0.56	-0.86	-0.14
<i>Russia</i>	ND	0.91	12.6	9.9	ND	0.11	1.9	-36.7	ND	-0.80	-0.15
Égypt	0.26	0.30	4.1	188.4	0.06	0.15	2.6	14.0	-0.20	-0.15	-0.18
USA	0.37	0.30	4.2	-23.3	0.27	0.15	2.6	-9.5	-0.10	-0.15	0.08
Other	2.35	1.70	23.6	18.1	1.18	1.88	32.7	5.6	-1.17	0.18	-0.16

TOKEN ENTRY

Share (%) in:											
GDP	23,8	26,5	-	12,3	15,3	21,2	-	3,9	-8,5	-5,3	-
CEECs	15,7	8,5	-	-1,2	10,6	8,3	-	-4,6	-	-	-
world	0,37	0,24	-	9,1	0,25	0,20	-	0,0	-	-	-

1) a) The NIS (Newly Independent States of the former USSR) are the following countries. Armenia, Azerbaijan, Belarus, Georgia, Kazakhstan, Kyrgystan, Moldova, Russia, Tajikistan, Turkmenistan, Ukraine, Uzbekistan

b) The CEECs (Central and Eastern European Countries) are the following. from 1990 to 1992: Albania, Bulgaria, Hungary, Poland, Romania; Czechoslovakia (from 1990 to 1992); from 1992: including Estonia, Latvia, Lithuania, Bosnia-Herzegovina, la Croatia and Slovenia; from 1993 Serbia-Montenegro and the Former Yugoslav Republic of Macedonia.

2) USSR in 1990

3) Cif

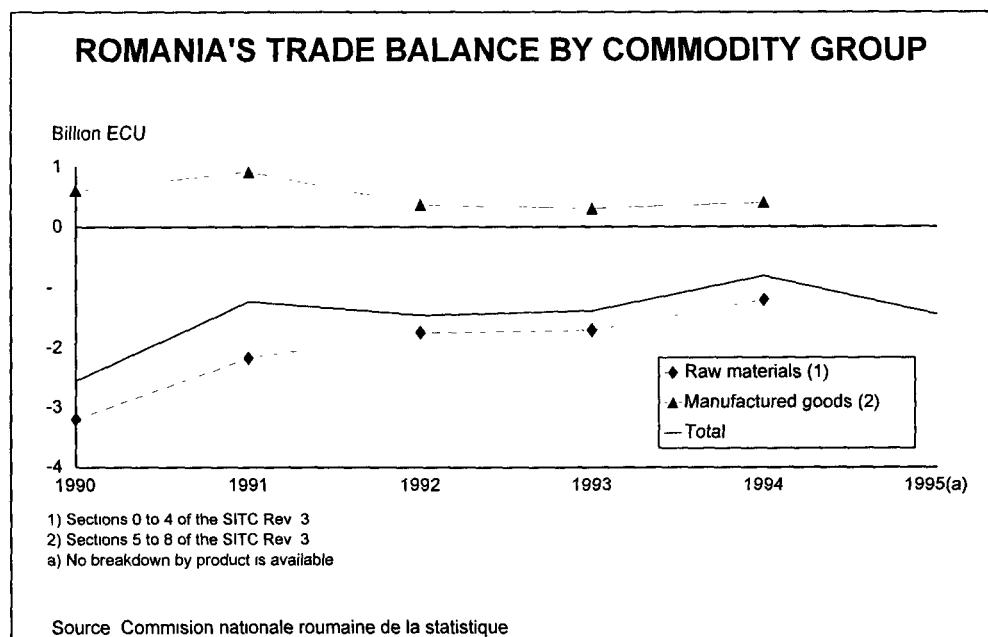
4) Fob.

Source: Romanian National Commission for Statistics.

Romania has had an increasingly liberal and open economy since the beginning of the 1990s. Imports, which accounted for 23.8% of GDP in 1990, increased their share to 26.5% in 1995, whilst the export share rose from 15.3% to 21.2%. At the same time, since the Council for Mutual Economic Assistance (COMECON) was dissolved Romania has had to focus its trade on different areas of the world. The

EU now accounts for a much larger share of Romania's foreign trade: 48.2% in 1995 as against 24.6% in 1990. The share of its erstwhile main partners, the CEECs and the former USSR, has dropped substantially from 37.3% to 17.3%.

Romania's trade deficit, which amounted to ECU 2 550 million in 1990, has gradually been cut back and was around ECU 800 million in 1994. But its attempts to return to equilibrium have floundered somewhat since then, with its deficit growing by some ECU 640 million in 1995. Nevertheless, the country reduced its import surplus by over ECU 1 '000 million during the period under consideration, from 8.5% of GDP in 1990 to only 5.3% in 1995, although the improvement vis-à-vis the CEECs was not matched by an improvement vis-à-vis the EU and the Newly Independent States (NIS) of the former USSR - rather, the situation worsened.



As this chapter was being finalised, Romania's trade figures for 1995 were not yet available in a breakdown by product.

Movements in Romania's total trade deficits between 1990 and 1994 broadly reflect movements in its relatively large raw materials deficits (SITC 0 to 4). In contrast, its trade in manufactured goods (SITC 5 to 8) was in surplus throughout the period, although at a level closer to equilibrium.

9.2 ROMANIA'S TRADE BY COMMODITY GROUP

(in billion ECU)

Commodity group (SITC Rev. 3)	Imports (1)				Exports (2)				Balance	
	1990		1994		1990		1994		1990	1994
	value	Share (%)	value	Share (%)	value	Share (%)	value	Share (%)	value	
Total (0-9)	7.16	100	5.98	100	4.61	100	5.17	100	-2.55	-0.81
Raw materials (0-4)	4.22	58.9	2.28	38.1	1.01	22.0	1.07	20.7	-3.20	-1.21
Food Products (0-1)	0.75	10.5	0.51	8.5	0.05	1.1	0.28	5.4	-0.70	-0.22
Crude materials (2-4)	3.47	48.5	1.77	29.7	0.96	20.9	0.79	15.3	-2.51	-0.98
Manufactured goods (5-8)	2.91	40.7	3.63	60.7	3.52	76.3	4.03	77.9	0.60	0.40
Chemical products (5)	0.53	7.4	0.54	9.1	0.30	6.5	0.50	9.6	-0.23	-0.05
Transport equipment (7)	1.58	22.0	1.51	25.3	1.35	29.3	0.74	14.3	-0.23	-0.77
Other (9)	0.03	0.4	0.07	1.2	0.08	1.7	0.07	1.4	-1.25	-0.8

1) Cif

2) Fob

Source: Romanian National Commission for Statistics.

The share of total trade accounted for by Romanian imports of raw materials (SITC 0 to 4) dropped sharply (by 20.8%) between 1990 and 1994, with the slack taken up by manufactures (SITC 5 to 8). Virtually all of the fall in raw materials (SITC 0 to 4) was attributable to crude materials (SITC 2 to 4), whose share of total imports declined by 18.8%.

Despite a 12.1% rise in sales between 1990 and 1994, the relative shares of Romanian exports of raw materials (SITC 0 to 4) and of manufactured goods (SITC 5 to 8) remained fairly stable.

Owing largely to the fact that imports of crude materials (SITC 2 to 4) plummeted (down 49%) between 1990 and 1994, Romania's raw materials trade deficit narrowed considerably, from 3 200 million in 1990 to 1 210 million in 1994.

9.3 ROMANIA'S IMPORTS BY MAJOR PRODUCTS, 1994*

SITC Rev. 3	Product description	Value (Billion ECU)	Share of imports (%)	
				Cumulative
33	Petroleum and petroleum products	0.88	14.8	14.8
65	Textiles yarns, fabrics, made-up articles	0.52	8.7	23.5
72	Machinery specialized for particular industry	0.40	6.6	30.1
34	Gas natural and manufactured	0.31	5.2	35.3
77	Electrical machinery, apparatus and appliances	0.25	4.2	39.5
74	General industrial machinery and equipment	0.24	4.0	43.5
32	Coal, coke and briquettes	0.20	3.3	46.8
67	Iron and steel	0.17	2.8	49.6
79	Other transport equipment	0.17	2.8	52.4
76	Telecommunication and electronic equipment	0.17	2.8	55.2

*) Cif.

Source: Romanian National Commission for Statistics.

At a more detailed level (SITC 2 digits), textile yarn, fabrics and made-up articles (SITC 65), the country's second most important group of purchases in 1994, were imported for inward processing. In fact, these products were inputs for the manufacture of the articles of apparel and clothing accessories (SITC 84) which were Romania's most important export item.

Owing to the enormous production capacity bequeathed to the country's petroleum products processing industry by the socialist era, imports of petroleum and related products are still the most important item purchased, making up 14.8% of total imports in 1994.

9.4 ROMANIA'S EXPORTS BY MAJOR PRODUCTS, 1994*

SITC Rev. 3	Product description	Value (Billion ECU)	Share of exports (%)	
				Cumulative
84	Articles of apparel and clothing accessories	0.84	16.2	16.2
67	Iron and Steel	0.67	12.9	29.1
33	Petroleum and petroleum products	0.51	9.9	39.0
82	Furniture and parts thereof; bedding ...	0.33	6.5	45.5
85	Footwear	0.26	5.0	50.5
56	Fertilizers	0.18	3.5	54.0
79	Other transport equipment	0.16	3.1	57.1
68	Non-ferrous metals	0.15	2.9	60.0
78	Road vehicles	0.14	2.7	62.7
66	Non-metallic mineral manufactures	0.14	2.7	65.4

*) Fob.

Source: Romanian National Commission for Statistics.

As mentioned above, articles of apparel and clothing accessories were the most important items sold by Romanian industry in 1994. They constituted 16.2% of exports, followed by iron and steel products (12.9%). Some petroleum processed by Romania is exported and this item accounted for almost 10% of the country's sales in 1994.

TRADE BETWEEN THE EUROPEAN UNION AND ROMANIA

Romania was 38th in the European Union's list of trading partners, accounting for approximately 0.67% of its turnover from trade.

Since COMECON ceased to exist, successive trade agreements signed by the two partners have been implemented, helping to free trade between the two countries and boost its volume. This process has gone hand in hand with a change of direction for Romania, which now focuses more on trade with the Union. From 24.6% of Romania's total trade in 1990, the EU's share rose sharply to 48.2% in 1995.

The European Union signed a *Europe agreement*¹ with Romania in February 1993. It was negotiated to provide more solid support for political and economic reforms, enable the country to integrate into the system prevalent in Western Europe and develop closer ties with the EU. The agreement's trade-related provisions aim gradually to establish a free trade area within ten years of the entry into force of the interim agreement. The latter was in force from 1 May 1993 to the date of implementation of the Europe Agreement in 1995.

Among the *concessions which the EU has granted to Romania* is the abolition of all quantitative restrictions on imports of manufactures. The abolition will not apply to "ECSC coal" products until four years after the interim agreement came into force and will not be lifted on textile and "ECSC steel" products until seven and six years respectively after entry into force of the interim agreement. Customs duties on exports of Union products to Romania will be abolished by 31 December 1997 at the latest.

Among the *concessions which Romania has granted to the EU* are the abolition of quantitative restrictions on imports of manufactures with the exception of those on textile products. Restrictions on second-hand vehicles over eight years old will not be lifted until 1 January 2001.

Customs duties on manufactures will be abolished gradually over a nine-year period from entry into force of the interim agreement. Special provisions apply to the dismantling of duties on textile products and "ECSC steel" from the Union.

¹ The Europe Agreement with Romania was published in the *Official Journal of the European Communities* No L 357 of 31.12.1994.

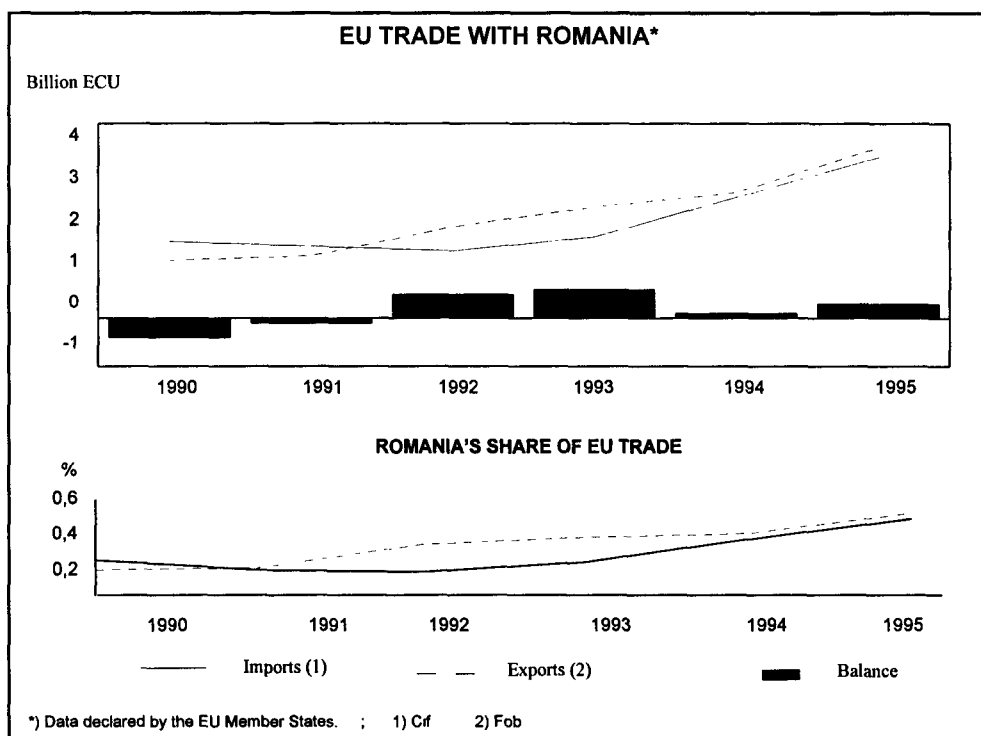
Customs duties on the export of Romanian products to the EU will be abolished by 31 December 1997 at the latest.

Quantitative restrictions on agricultural products have been lifted by both signatories. Customs duties on these products are subject to special provisions.

The European Community has been applying the Generalised System of Preferences² to Romania since 1974.

The rapid rise in exports from the Union to Romania in 1992 (+39.3%) led to a surplus for the Union in trade with this country, after two years of deficit in 1990 and 1991. The surplus continued to grow up to 1995, with the exception of 1994 when, as a result of the 48.5% increase in Community imports, the Union's external position vis-à-vis Romania worsened by ECU 490 million.

- 2) The Generalised System of preferences (GSP) consists of a series of unilateral tariff reductions which the EU normally applies to imports from developing countries.



9.5 EU'S TRADE BALANCE WITH ROMANIA BY COMMODITY GROUP*

Commodity group (SITC Rev.3)	1990	1994	1995	1990	1994	1995
	Billion ECU			CR=(Imp/Exp)*100 ^a		
TOTAL (0-9)	-0.38	0.14	0.29	76	106	109
Raw materials (0-4)	-0.08	0.05	0.18	84	122	182
Food Products (0+1)	0.22	0.08	0.14	719	193	256
Crude materials (2+4)	0.07	-0.02	0.00	302	75	97
Mineral fuel (3)	-0.36	-0.01	0.04	9	89	173
Manufactured goods (5-8)	-0.38	0.04	0.06	66	102	102
Chemical products (5)	0.16	0.09	0.15	413	171	184
Transport equipment (7)	0.04	0.73	0.86	136	439	379
Other manufactured goods (6+8)	-0.59	-0.79	-0.95	39	58	62
Other (9)	0.08	0.05	0.04	892	247	209
TOKEN ENTRY						
EU trade balance	-46.1	-1.3	1.5	93	100	103
EU balance with the CEECs	-0.92	6.49	7.72	93	119	119

*) UE 12 (excluding Austria, Finland and Sweden).

a) CR = coverage rate in %.

Source: Eurostat.

The EU's surplus in trade with Romania in raw materials (SITC 0 to 4) was ECU 180 million in 1995 as against ECU 60 million in manufactures (SITC 5 to 8). Food, beverages and tobacco (SITC 0 and 1) were responsible for almost 80% of the surplus in raw materials (SITC 0 to 4). It was in trade in machinery and other transport equipment (SITC 7) that the EU earned its largest surplus at this level of detail - around ECU 860 million in 1995.

9.6 EU'S TRADE BALANCE WITH ROMANIA BY PRODUCTS*

(in million ECU)

SITC Rev.3	Product description	1990	1994	1995
LARGEST SURPLUSES				
65	Textile yarn, fabrics, made-up articles	114.3	404.6	540.6
72	Machines specialized for particular industries	20.9	273.4	319.2
74	General industrial machines and equipments	-7.9	123.9	149.3
61	Leather, leather manufactures	11.6	71.6	106.6
77	Electrical machinery and appliances	5.9	74.3	98.8
78	Road vehicles	14.1	93.8	85.1
59	Chemical materials and products, n.e.s.	6.4	51.3	84.1
79	Other transport equipment	0.7	32.1	68.2
76	Telecom. , sound record, apparatus	5.4	66.8	58.6
33	Petroleum, petroleum products ...	-379.9	-6.4	56.9
LARGEST DEFICITS				
84	Articles of apparel and clothing accessories	-286.4	-678.5	-813.8
67	Iron and steel	-53.5	-186.8	-309.3
82	Furniture, bedding	-241.4	-230.2	-233.2
68	Non-ferrous metals	-31.1	-128.1	-217.3
85	Footwear	-31.7	-141.4	-205.8
66	Non- metallic mineral manufactures	-37.8	-40.2	-47.8
56	Fertilizers	-10.1	-20.6	-45.8
51	Organic chemicals	16.3	-40.2	-31.6
24	Cork and wood	5.1	-14.4	-24.6
00	Other live animals	-4.1	-20.8	-23.1

*) EU 12 (excluding Austria, Finland and Sweden).

Source: Eurostat.

At the SITC two-digit level, the balance of trade values reflect the inward processing which is a feature of the Romanian textile sector. Indeed, the EU's largest trade surplus with Romania in 1995 was in textile yarn, fabrics and made-up articles (SITC 65), and its largest deficit in articles of apparel and clothing accessories (SITC 84).

9.7 EU IMPORTS FROM ROMANIA BY COMMODITY GROUP*

Commodity group SITC-Rev.3	1990	1994	1995	Part 95	95/94	95/90
	Billion ECU			%	% of annual change	
TOTAL (0-9)	1.60	2.51	3.26	100	30.0	15.2
Raw materials (0-4)	0.46	0.24	0.22	7	-6.1	-13.7
<i>Food products (0+1)</i>	0.04	0.09	0.09	3	7.7	21.4
<i>Crude materials (2+4)</i>	0.03	0.08	0.07	2	-3.2	16.9
<i>Mineral fuel (3)</i>	0.40	0.08	0.06	2	-24.9	-32.2
Manufactured goods (5-8)	1.13	2.24	3.00	92	33.9	21.5
<i>Chemical products (5)</i>	0.05	0.13	0.18	6	41.7	28.3
<i>Transport equipment (7)</i>	0.11	0.22	0.31	9	42.6	22.4
<i>Other manufactured goods (6+8)</i>	0.97	1.90	2.51	77	32.4	21.0
Other (9)	0.01	0.03	0.04	1	25.2	32.0

*) EU 12 (excluding Austria, Finland and Sweden), Cif.

Source: Eurostat.

The sharp rise in Community imports from Romania as from 1993 led to an annual increase of 32.5% between 1992 and 1995. These figures were more dynamic than extra-Community imports, but showed slower average growth than the Union's purchases from other CEECs overall.

The structure by product of EU imports from Romania changed between 1990 and 1995. The share of raw materials (SITC 0 to 4) in total Community purchases fell sharply, from almost 30% in 1990 to around 7% in 1995, with manufactures (SITC 5 to 8) reaping the benefit and increasing their share from 70% to 92%. The noticeable drop was due largely to the collapse of the mineral fuels market (SITC 3), the share of which in total imports from Romania fell to under 2% in 1995 as against almost 25% in 1990. Despite their relatively low level, Community purchases of Romanian chemicals (SITC 5) were particularly dynamic, doubling their share of total imports over the period studied.

9.8 EU IMPORTS FROM ROUMANIA BY MAJOR PRODUCTS, 1995*

SITC Rev.3	Products description	Value	Annual change	Share in the imports (%)	
		Billion ECU	%		cumulative
84	Clothing	0.97	22.3	29.6	29.6
67	Iron and steel	0.37	68.7	11.4	41.0
85	Footwear	0.31	37.6	9.4	50.4
82	Furniture	0.27	6.3	8.2	58.6
68	Non-ferrous metals	0.23	71.9	7.2	65.8
66	Non-metal. mineral manufactures	0.10	31.5	2.9	68.7
77	Electrical machinery	0.09	32.1	2.9	71.6
74	Industrial machinery	0.08	78.7	2.3	73.9
51	Organic chemicals	0.06	-5.0	2.0	75.9
69	Manufactures of metal	0.06	45.2	1.9	77.8

*) EU 12 (excluding Austria, Finland and Sweden); Cif.

Source: Eurostat.

Almost 30% of Community imports from Romania in 1995 were of clothing (SITC 84), but iron and steel. in second place. experienced stronger growth (+68.7%) over the 1994 figures.

9.9 EU EXPORTS TO ROMANIA BY COMMODITY GROUP*

Commodity group	1990	1994	1995	Part 95	95/94	95/90
SITC-Rev.3	Billion ECU			%	annual change (%)	
TOTAL (0-9)	1.23	2.65	3.55	100	34.0	23.7
Raw materials (0-4)	0.39	0.29	0.41	11	39.9	0.8
<i>Food products (0+1)</i>	0.25	0.17	0.24	7	42.3	-1.3
<i>Crude materials (2+4)</i>	0.10	0.06	0.07	2	25.6	-6.9
<i>Mineral fuel (3)</i>	0.03	0.07	0.10	3	46.1	22.8
Manufactured goods (5-8)	0.75	2.28	3.06	86	34.3	32.5
<i>Chemical products (5)</i>	0.21	0.22	0.33	9	51.8	9.1
<i>Transport equipment (7)</i>	0.15	0.95	1.17	33	23.1	50.2
<i>Other manufactured goods (6+8)</i>	0.38	1.11	1.56	44	40.4	32.5
Other (9)	0.09	0.08	0.08	2	5.5	-1.3

*) EU 12 (excluding Autriche, Finland and Sweden); fob.

Source: Eurostat.

During every year in the period studied apart from 1994, the Union's exports to Romania were more dynamic than imports from Romania, showing annual growth of 23.7% compared with 15.2%. Even though EU sales to Romania grew more rapidly than extra-Community exports, however, they averaged slower growth than exports from the Union to the other CEECs as a whole.

EU sales concentrated largely on manufactures (SITC 5 to 8), whose share of the Union's total exports to Romania - already high in 1990 at 61% - reached 86% in 1995. With Romania's economy in serious need of restructuring. Community exports of machinery and other transport equipment (SITC 7) were at their most dynamic in the first half of the decade. Over the same period, sales of raw materials (SITC 0 to 4), which had accounted for almost 32% in 1990, fell substantially to around only 11% in 1995. Consequently, the share of Community exports of food (SITC 0 and 1), which were stable between 1990 and 1995, fell from over 20% in 1990 to only 7% in 1995.

9.10 EU EXPORTS TO ROMANIA BY MAJOR PRODUCTS, 1995*

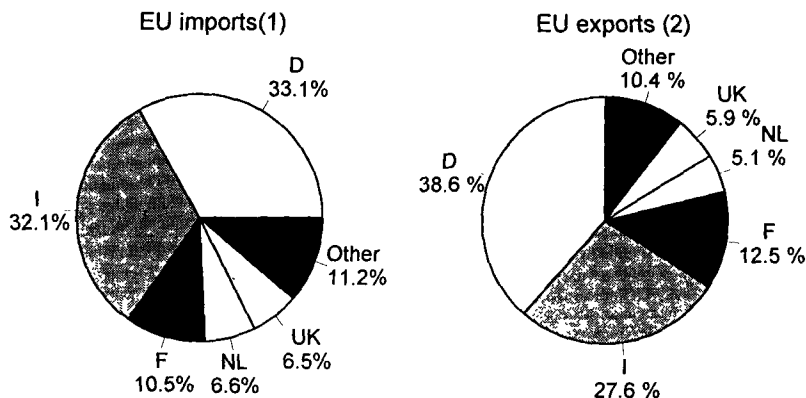
SITC Rev.3	Products description	Value	annual change	Share in exports (%)	
		Billion ECU	%		cumula- tive
65	Textiles yarn, fabrics, made-up articles ...	0.60	32.5	17.0	17.0
72	Machinery specialized for particular industries	0.34	18.4	9.6	26.6
74	General industrial machinery and equipment	0.23	35.4	6.4	33.0
77	Electrical machin., apparatus and appliances	0.19	32.6	5.4	38.4
84	Clothing	0.15	36.3	4.3	42.7
78	Road vehicles	0.13	12.5	3.5	46.2
61	Leather, leather manufactures, ...	0.12	41.5	3.3	49.5
85	Footwear	0.10	24.1	2.9	52.3
33	Petroleum and petroleum products	0.10	46.2	2.7	55.1
69	Manufactures of metal, n.e.s	0.09	54.9	2.7	57.8

*) EU 12 (excluding Austria, Finland and Sweden); fob.

Source: Eurostat.

The textile yarn, fabrics and made-up articles which Romania needed to make clothing were the main items it purchased from the Union in 1995 at this level of detail, making up 17% of total exports.

EU TRADE WITH ROMANIA BY MEMBERS STATE, 1995*



*) EU 12 (excluding Austria, Finland and Sweden).

1) Cif.

2) Fob.

Source: Eurostat.

In 1995, Germany, where 35.9% of the Union's trade with Romania originated, was the country's main trading partner, followed by Italy (29.7%) and France (11.5).

Within the Union, the BLEU saw the sharpest rise in imports from Romania between 1990 and 1995, at an annual rate of 28.5%. Over the period studied, Italy, with growth of almost 46% a year, led the expansion in Community exports to Romania.

All the Member States, apart from the BLEU and the United Kingdom, improved their trade balances with Romania during the early years of the decade. Whereas in 1995 the external position vis-à-vis of Romania of all the Union countries taken together was more or less in balance. Germany and France showed surpluses of ECU 290.4 million and ECU 100.9 million respectively.

9.11 EU-ROMANIA TRADE BY MEMBER STATE

(in million ECU)

Reporter	Imports (1)				Exports (2)				Balance		
	1990	1995		95/94	1990	1995		95/94	1990	1995	95-94
		Share	Var.	Share		Var.	Value				
			(%)	(%)			(%)	(%)			
EU 12	1604.6	3261.9	100.0	30.0	1227.1	3550.2	100.0	34.1	-353.8	-0.3	-34.5
BLEU	42.7	148.2	4.5	79.2	45.1	111.2	3.1	60.9	2.4	-37.0	-23.4
DK	7.3	12.7	0.4	52.1	25.8	45.6	1.3	60.3	18.5	32.9	12.8
D	528.3	1079.2	33.1	17.0	543.4	1369.6	38.6	31.2	15.1	290.4	168.1
GR	56.7	100.9	3.1	29.5	46.6	134.2	3.8	71.6	-10.0	33.3	33.0
E	71.4	93.8	2.9	41.3	21.8	62.7	1.8	50.5	-49.7	-31.1	-6.4
F	266.6	340.9	10.5	30.6	191.8	441.9	12.4	28.9	-74.8	100.9	19.0
IRL	1.8	3.8	0.1	96.0	8.9	14.5	0.4	237.8	7.1	10.6	8.3
I	392.1	1046.3	32.1	37.7	148.6	979.2	27.6	33.1	-243.5	-67.1	-43.1
NL	139.1	216.1	6.6	61.9	75.8	180.8	5.1	31.3	-63.3	-35.3	-39.5
P	2.4	6.7	0.2	14.5	2.1	2.6	0.1	-17.5	-0.4	-4.1	-1.4
UK	96.2	213.2	6.5	12.6	117.3	207.8	5.9	28.4	21.1	-5.4	22.2

1) Cif.

2) Fob.

Source: Eurostat

10. TRANSPORT AND COMMUNICATIONS

Romania still has a very underdeveloped transport network, one of the reasons being the particular configuration of the terrain. The Carpathians divide the country into two large areas which are virtually cut off one from another, since the mountains constitute a major obstacle to the construction of railways and roads. The areas to the east and south of the Carpathians (Moldavia, Dobruja and the Romanian plain) are better developed in terms of transport than the regions to the west of it (such as Transylvania, Maramures and Banat). In addition to the mountain regions, the swampy areas of the Danube Delta present obstacles to transport.

A further important aspect of Romania's inadequate transport system is the poor state of its infrastructure. With insufficient equipment, and the equipment that does exist antiquated, this sector has become a real barrier to the country's development.

The railways have traditionally been the most important means of overland transport in Romania. Between 1980 and 1992, however, the network was extended by only 3 % to 11 430 km, although over the same period the percentage of electrified lines rose from 21 % to 33 %.

In the first half of 1991, the Romanian State Railway was made into an independent undertaking. It remained in state ownership but took full control of its own budget. As rail fares are state-subsidized, however, the government still has a say in how they are set.

10.1 LENGTH OF RAILWAY NETWORK*

(in kilometre)

Survey item	1980	1985	1990	1991	1992
Total	11,110	11,192	11,348	11,365	11,430
Electrified	2,367	3,194	3,680	3,680	3,782

*) As at the end of the year.

Since the mid-1980s, there has been a sharp drop in the traffic performance of the railways. In terms of passenger-kilometres, there was a 38 % decline between 1985 and 1993, and as much as 66 % in the number of tonne-kilometres.

10.2 AMOUNT OF TRAFFIC CARRIED ON THE RAILWAYS

Type of traffic	Unit	1985	1990	1991	1992	1993
Passengers	1,000	460.3	407.9	362.6	323.8	225.4
Freight	Mill. t	283.4	218.8	146.3	111.4	99.0
Passenger-kilometres	Mrd.	31.1	30.6	25.4	24.3	19.4
Tonne-kilometres	Mrd.	74.2	57.3	37.9	28.2	25.2

Large stretches of the road network in Romania are in urgent need of rebuilding or repair. Only about half of the 73,000 kilometres are metalled. There are only just over 100 kilometres of motorways, one of the smallest total lengths of any country in Europe.

However, a substantial amount of capital is now to be invested in road building. According to official planning figures, around 1,000 kilometres of new motorways are to be built by 2002. These enormous investments are to be recouped via toll charges and the leasing of motorway services.

10.3 ROAD NETWORK*

(in kilometres)

Type of road	1980	1985	1990	1991	1992
Total	73,364	72,799	72,816	72,816	72,816
Metalled roads	33,997	35,744	.	37,136	37,136
Motorways	96	96	113	113	113
Trunk or national roads	14,580	14,570	14,570	14,570	14,570
Regional or second-category roads	58,688	58,133	58,133	58,133	58,133
Other roads					

*) As at the end of the year.

Between 1985 and 1992, the number of private cars increased by 68 % to approximately 1.6 million. The ratio per 1 000 inhabitants thus went up from 42 to 70. Even so, Romania is still near the bottom of the European car ownership table.

10.4 NUMBER OF MOTOR VEHICLES AND CAR OWNERSHIP*

Type of vehicle/car ownership	Unit	1985	1989	1990	1991	1992
Private cars	1,000	949.6	1,218.1	1,292.3	1,397.1	1,593.0
Cars per 1,000 inhabitants	Number	41.7	52.5	55.7	60.8	69.9 ^a
Buses	1,000	22.9	27.4	28.3	31.2	35.1
Lorries ¹	1,000	197.0	209.4	342.4	301.1	343.6
Motorbikes and scooters	1,000	297.5	294.6	311.6	311.9	322.8

*) As at the end of the year.

1) Including estate cars.

a) In relation to the population at the middle of the year.

There has been a sharp fall in the use of public road transport in the past few years. Between 1985 and 1993, there was a 40 % drop in the number of passengers and 9 % in the number of passenger-kilometres. Goods transport declined even more sharply: freight tonnage fell by 88 % and tonne-kilometres by 60 %.

10.5 AMOUNT OF TRAFFIC CARRIED ON THE PUBLIC ROAD NETWORK

Type of traffic	Unit	1985	1990	1991	1992	1993
Passengers	Mill.	837	781	760	678	506
Freight	Mill. t	362	202	112	65	45
Passengers-kilometres	Mrd.	21.7	24.0	20.6	-	19.8
Tonne-kilometres	Mill.	5,957	5,920	4,380	3,602	2,774

The most important inland waterway is the Danube, connecting the sea ports with the hinterland. Its usefulness to Romania is only relative, however, because for the most part it flows along the country's borders. The Main-Danube Canal gives Romania access to the central and western European waterway network. The Danube-Black Sea Canal, which is navigable by sea-going vessels, shortens the Danube route by about 380 kilometres. It was opened in 1984 and was the country's most expensive technical project up to that time. To build this 64-kilometre long waterway, twice as much earth and rock had to be moved as for the Panama Canal. It is navigable by sea-going vessels with a draught of 5.5 m and was supposed to carry up to 7 million tonnes of freight a year, but its use, particularly by foreign ships, has so far fallen

well short of expectations, partly because the tariff structure deters foreign customers.

10.6 INLAND WATERWAYS

Survey item	Unit	1985	1990	1991	1992	1993
Passengers	Mill.	1.8	1.6	1.4	1.1	0.9
Freight	Mill. t	18.4	12.0	8.2	6.2	7.1
Passenger-kilometres	Mill.	78	58	33	26	26
Tonne-kilometres	Mill.	2,417	2,090	2,030	1,890	1,594

Over the past few decades, sea transport has become increasingly important for Romania. The bulk of the country's international goods traffic goes by waterway, and its merchant fleet has thus grown steadily larger. The number of merchant vessels increased by 18 % between 1985 and 1990, with tonnage increasing by 32 %.

After 1990, the disintegration of foreign trade relations brought about by the collapse of socialist systems lead to a rapid decline in seaborne traffic (see Table 10.8), which led in turn to a substantial drop in sea transport capacity.

10.7 NUMBER OF SEAGOING VESSELS*

Survey item	Unit	1985	1990	1991	1992	1993
Vessels	Number	410	483	469	433	443
Oil tankers	Number	11	15	19	21	22
Tonnage	1,000 GRT	3,024	4,005	3,828	2,981	2,867
Oil tankers	1,000 GRT	384	645	679	520	446

*) Vessels above 100 GRT. Mid-year up to 1991 inclusive, end of the year from 1992 onwards.

10.8 SEA TRAFFIC

Survey item	Unit	1985	1990	1991	1992	1993
Freight	Mill. t	25.7	27.6	22.3	14.1	6.9
Tonne-kilometres	Mrd.	103.4	110.8	108.1	62.1	38.2

In the past few decades, Romania has considerably expanded and modernised its air transport infrastructure. In addition to the four international airports at Bucharest, Constanta, Timisoara and Suceava, it has a number of air fields and landing strips.

As with the other forms of transport, however, there has been a sharp decline in passenger transport by air since 1990. In contrast, air freight has grown over the past few years. In 1992, civil air traffic measured in tonne-kilometres was 139 % higher in value terms than in 1990. In 1991, despite a 21 % fall, the number of tonne-kilometres was still 88 % higher than in 1990.

10.9 CIVIL AIR TRANSPORT

Type of traffic	Unit	1985	1990	1991	1992	1993
Passengers	1 000	2,507	2,738	1,712	1,714	1,717
Freight	1 000 t	29	37	13 ^a	47	35
Passenger-kilometres	Mill.	3,403	3,418	2,694	2,732	2,698
Tonne-kilometres	Mill.	73	57	26 ^a	136	107

a) Excluding freight in charter aircraft.

The rapid expansion of the petrochemical industry led to the need for a corresponding extension of the pipeline system. Between 1985 and 1989, when the volume of transport rose by 39 % in tonne-kilometre terms, the network was extended by 15 %. With a 62 % fall in the number of tonne-kilometres between 1989 and 1992 as a result of the collapse of the petroleum-processing industry, there was still a 6 % expansion in the pipeline system. In 1993, with a 3 % drop, the decline in volume carried by pipeline continued, although at a slower rate.

10.10 LONG-DISTANCE PIPELINES

Type of traffic	Unit	1985	1990	1991	1992	1993
Passengers	1 000	2,507	2,738	1,712	1,714	1,717
Freight	1 000 t	29	37	13 ^a	47	35
Passenger-kilometres	Mill.	3,403	3,418	2,694	2,732	2,698
Tonne-kilometres	Mill.	73	57	26 ^a	136	107

Between 1985 and 1992 there was an increase of almost 30 % in the number of telephone lines. The number per 1,000 inhabitants rose to approximately 110, but this is still only around 20 % of the European average. Waiting times for a line may be as long as 16 years. Virtually no digital technology is in use, lines are out of order roughly twice as often as the East European average and five times as often as the West European average.

The extension and modernization of the telecommunications network is one of the government's top priorities. For a comprehensive 15-year modernization programme which will include a digital communication system, the estimate was approximately US-\$ 8,000 million.

10.11 TELEPHONES, RADIO AND TELEVISION LICENCES

Survey item	Unit	1985	1989	1990	1991	1992
Telephones lines	1,000	1,963	2,288	2,358	2,444	2,527
Per 1,000 inhabitants	Number	86.2	98.7	101.7	106.3	110.9 ^a
Radiolicences	1,000	2,570	2,476	2,400	2,273	2,156
Per 1,000 inhabitants	Number	112.8	106.8	103.5	98.9	94.6 ^a
Television licences	1,000	3,879	3,696	3,645	3,587	3,542
Per 1,000 inhabitants	Number	170.3	159.5	157.1	156.0	155.4 ^a

*) As at the end of the year.

a) In relation to the mid-year population.

11. TOURISM

Tourism has become an important area of Romania's economy over the past 20 or 30 years. In addition to the many high-altitude and climatic health resorts in the Carpathians, the spas and the historic sights, the Black Sea beaches are a particular attraction.

As the following table shows, during the first few years after the 1989 revolution most foreign visitors still came from the countries of the former Council for Mutual Economic Assistance, which included the successor states of the Soviet Union (36 % of foreign visitors in 1992), Bulgaria (17 %) and Hungary (13 %). Attempts are now being made to encourage more tourists from the West, in particular, but facilities are in many cases not yet up to Western standards and compare unfavourably with those of neighbouring Bulgaria.

The Ministry of Tourism has therefore drawn up a list of measures intended to help revive tourism, including more rapid privatization. Back in 1990, the five major government-run tourist enterprises and the forty local tourist information offices were replaced by some 160 companies - most of them initially state-owned - and some 200 private travel agencies and seven joint ventures. There were also plans to denationalize many hotels and restaurants, convalescent homes and villas which could be turned into guest houses or holiday homes.

11.1 FOREIGN VISITORS

Survey item	Unit	1980	1985	1989	1990	1991	1992
Total	1,000	6,742	4,772	4,850	6,532	5,359	6,401
By selected country of origin:							
Former Soviet Union	%	8.0	11.4	19.6	33.9	40.5	36.2
Bulgaria	%	14.9	11.5	15.6	16.2	14.9	16.5
Hungary	%	13.4	18.4	9.0	15.3	14.2	13.4
Yugoslavia ¹	%	21.2	19.9	8.9	4.0	2.8	13.2
Turkey	%	0.5	0.8	1.5	2.0	3.4	3.5
Germany	%	8.9	9.1	9.4	4.5	4.0	3.3

(continued on next page)

11.1 FOREIGN VISITORS *(continued)*

Survey item	Unit	1980	1985	1989	1990	1991	1992
Old Länder:	%	5.5	3.6	2.4	3.3	-	-
Poland	%	10.7	10.8	18.6	12.5	7.0	2.7
Former Czechoslovakia	%	11.8	11.0	9.8	3.2	0.7	1.4
Italy	%	0.6	0.5	0.7	0.7	1.2	1.2
Greece	%	1.2	0.7	0.6	0.6	0.9	0.8
United Kingdom	%	1.2	0.6	0.4	0.5	1.0	0.8
France	%	0.8	0.8	0.3	0.9	1.0	0.8
Austria	%	0.5	0.4	0.3	0.6	0.6	0.6
United States	%	0.3	0.5	0.5	0.6	0.7	0.6
Netherlands	%	0.3	0.3	0.2	0.3	0.4	0.4
Belgium	%	0.2	0.2	0.1	0.2	0.3	0.3
Denmark	%	0.1	0.1	0.1	0.1	0.1	0.1
Canada	%	0.0	0.1	0.1	0.1	0.1	0.1
Spain	%	0.3	0.3	0.2	0.1	0.1	0.1
By route:							
Overland	%	88.2	89.0	90.4	92.1	91.6	93.0
Rail	%	27.1	34.9	45.0	36.0	22.0	17.6
Road	%	61.1	54.1	45.4	56.2	69.6	75.4
Road	%	3.2	3.2	2.9	3.7	3.3	2.2
Air	%	8.6	7.8	6.7	4.1	5.2	4.8

1) Including expenditure for Bosnia-Herzegovina, Croatia, the former Yugoslav Republic of Macedonia and Slovenia.

Between the mid-1980s and the early 1990s, there was a sharp fall in both the number of accommodation establishments and available bed capacity. The number of visitors using this accommodation fell even more steeply over this period, with receipts falling almost to a quarter of the 1985 figure.

11.2 HOTELS, CAMPSITES AND FOREIGN CURRENCY RECEIPTS

Survey item	Unit	1980	1985	1990	1991	1992	1993 ¹
Accommodation establishments	Number	3,190	3,330	3,213	3,329	3,204	2602
Hotels and motels	Number	707	784	830	822	856	894
Guest houses	Number	105	115	131	107	89	42
Holiday homes	Number	1,531	1,464	1,551	1,828	1,744	1,160
Campsites	Number	187	213	217	186	142	141
Other types of accommodation ²	Number	660	754	484	386	373	365
Beds in accommodation establishments	1,000	404.4	410.6	353.2	312.4	302.5	296.8
Hotels and motels	1,000	146.5	161.5	168.0	167.6	169.9	171.2
Guest houses	1,000	7.2	7.5	8.0	5.9	4.8	2.2
Holiday homes	1,000	47.5	48.3	46.8	42.3	38.6	32.2
Campsites	1,000	53.6	53.4	46.5	36.0	32.6	37.0
Other types of accommodation ²	1,000	149.6	140.0	84.0	60.7	56.7	54.3
Visitors to accommodation establishments	1,000	12,150	11,959	12,297	9,603	8,015	3,290
Hotels and motels	1,000	8,453	8,774	9,290	7,879	6,681	2,937
Guest houses	1,000	805	538	676	318	185	40
Holiday homes	1,000	945	815	849	565	464	166
Campsites	1,000	832	853	701	277	198	27
Other types of accommodation ²	1,000	1,115	979	781	564	487	121
Overnight stays in accommodation establishments	1,000	.	.	44,552	31,927	26,076	8,836
Hotels and motels	1,000	.	.	30,794	23,562	19,307	7,494
Guest houses	1,000	.	.	1,048	488	272	52
Holiday homes	1,000	.	.	6,179	3,539	2,832	708
Campsites	1,000	.	.	2,372	823	594	51
Other types of accommodation ²	1,000	.	.	4,159	3,515	3,071	531
Foreign currency receipts	Mill.US-\$	.	182	106	145	262	.

1) January to June. Figures for establishments and beds as at 30 June.

2) Tourist hostels, children's holiday camps, holiday flats.

12. MONEY AND CREDIT

Romania's official currency unit, the leu (l) (plural lei) is divided into 100 bani.

The country's banking system was reformed early on as part of the restructuring of the Romanian economy after 1989. With the enactment of a Banking Law and a National Bank Law in the spring of 1991, a two-tier banking system - with the National Bank on the one hand and commercial banks on the other - was established to meet market-economy requirements. The National Bank now has only the traditional functions of a monetary authority or a "bankers' bank". Under its constitution, it is largely independent of any political influence. The formerly specialized divisions of the National Bank were converted into an independent enterprise which may engage in the whole spectrum of activities of a commercial bank.

Over the past few years, the Romanian banking sector has developed apace. All four major state-owned commercial banks have set up an extensive network of branches, and their working methods have an increasingly commercial bias. Various other banks have been set up, some of them privately owned and some of them owned in part by the State. There were at first very few branches of foreign banks in Romania, but recently a few joint ventures with foreign partners have set up branches in Bucharest.

According to the official exchange rate, the leu has rapidly lost value against western currencies since the 1989 revolution. Between 1990 and 1993 (end of the year in each case), it lost approximately 97 % in value terms against the US dollar. During this period, changes in the exchange rates were largely dictated by the Romanian National Bank's exchange rate policy, which was several times revised. Endeavours to support economic policy objectives which were seen as of prime importance, even though they were frequently contradictory, by altering exchange rates, led to a two-tier exchange rate system being operated from time to time, on occasion with auction rates which were used for transactions for only one hour a day. One of the measures aiming to help liberalize trade in foreign currency (which was rather dragging its feet) was to move the official exchange rate closer to the black market rate. Between the end of 1993 and May 1994, the difference between these two exchange rates narrowed from approximately 30 % to about 5 %.

Between the end of 1993 and March 1994, the leu fell from 1,276 to 1,650 lei per US dollar, after which its value remained more or less stable at 1,750 lei per dollar in November 1994.

12.1 OFFICIAL EXCHANGE RATES*

Type of rate	Unit	1990	1991	1992	1993	1994 ¹
Official rate						
Of buying and selling	1 for DM 1	23.48	124.67	284.83	748.43	1,064.26
Of buying and selling	1 for U-S-\$ 1	34.71	189.00	460.00	1,276.00	1,677.00
Rate for the Special Drawing Right (SDR)	1 for SDR 1	49.38	270.35	632.50	1,752.66	2,428.92

*) As at the end of the year.

1) As at June.

Over the past few years, gold reserves have shown a steady increase, to 2.58 million fine troy ounces in June 1994, 17 % higher than at the end of 1990. There has been an even larger increase in foreign currency reserves, which quadrupled over the same period to US-\$ 1 510 million.

12.2 GOLD AND FOREIGN EXCHANGE RESERVES*

Type of holding	Unit	1990	1991	1992	1993	1994 ¹
Gold	Mill. fine troy oz	2.208	2.247	2.307	2.370	2.584
Foreign exchange	Mill. US-\$	373	637	815	994	1,506
Special drawing rights (SDR)	Mill. US-\$	100 ^a	58	11	2	64

*) As at the end of the year

1) As at June

a) 1989

In line with the rapid currency depreciation which has so far persisted in the Romania of the 1990s, the changes in cash in circulation and bank deposits and loans shown in the table below are inflated. After a relatively modest 25 % increase in money supply M2 (cash in circulation + sight deposits + short-term assets and savings deposits) in 1990, in the following three years growth rates of between 74 % and 152 % were recorded. M2 rose by 18 % in the first four months of 1994 alone

12.3 CASH IN CIRCULATION, BANK DEPOSITS AND LOANS*

Survey item	Unit	1990	1991	1992	1993	1994 ¹
Cash in circulation (Excluding banks' reserves)	Mrd. l	92.4	176.5	411.7	1,048.1	1,193.9
Cash in circulation per capita	l	3,983	7,678	18,066 ^a	-	-
Bank deposits of government						
Monetary authorities	Mrd. l	0.3	42.3	163.1	485.3	800.8
Commercial banks	Mrd. l	72.3	125.2	357.6	856.4	987.2
Bank deposits, payable on sight						
Commercial banks	Mrd. l	140.6	554.8	599.8	1,138.2	1,032.9
Savings deposits						
Commercial banks	Mrd. l	193.7	188.3	375.6	785.4	1,026.5
Foreign currency deposits						
Commercial banks	Mrd. l	15.1	40.4	281.3	1,324.6	1,802.9
Money supply ²						
M1	Mrd. l	233.0	731.3	1,011.5	2,186.3	2,226.8
M2	Mrd. l	513.3	1,031.0	1,789.7	4,514.8	5,327.0
Growth in money supply (M2)	%	+ 25.1	+ 100.9	+ 73.6	+ 152.3	+ 18.0
Monetary authorities	Mrd. l	3.8	41.1	263.0	336.3	43.8 ^b
Commercial banks	Mrd. l	-	124.1	198.2	398.0	696.1
Bank loans to individuals						
Commercial bank	Mrd. l	684.0	1,375.2	1,911.6	4,891.5	5,987.3

*) As at the end of the year.

1) As at April.

2) M1: cash in circulation and sight deposits. M2: M1 + short-term assets and savings deposits.

a) In relation to the mid-year population.

b) March.

13. PUBLIC FINANCE

In the second half of the 1980s, enormous surpluses were recorded in the public budget, averaging over 5 % of the national income. They were constituted as a result of the policy of reducing foreign debts and building up financial reserves, and were made possible by the transfer of resources from state undertaking to public budgets. Towards the end of the 1980s, these transfers were eating up the capital assets of the undertakings and leading to tax arrears and increases in debts to the banking system which could no longer be serviced.

After the 1989 revolution, the taxation system was radically reformed on the basis of a newly-defined and reduced role for the government which withdrew, for example, from the financing of state undertakings and allowed the taxation system to be rebuilt along market-economy lines. The majority of state undertakings were turned into commercial organizations, no longer obliged to help finance the government budget. Subsidies on products or services paid for from budgetary funds were now restricted to the mining sector and the railways. Budget-financed subsidies on investments were limited to public undertakings, i.e. those which it was planned to keep under state control.

The following summary covers only the central government budget. There are also local budgets and a social insurance budget. The consolidated government budget is obtained by combining the three.

Over the past few years there has been a sharp increase in the size of the budget as a result of inflation. For 1994, the estimated nominal increase in central government budget expenditure was almost 180 %, to a total of 11.5 billion lei (1993: 4.1 billion lei), including a deficit of 1.9 billion (1993: 0.3 billion). Despite the substantial nominal increase in the deficit, it was still only 3.5 % of gross domestic product. According to information from the Finance Ministry, this deficit was to be financed solely by domestic and foreign loans, in order to avoid any budget-induced inflationary pressure.

13.1 CENTRAL GOVERNMENT BUDGET*

(Mrd. l)

Survey item	1991	1992	1993	1994 ¹
Revenue	496.8	1,363.9	3,792.5	9,660.0
Expenditure	537.9	1,626.9	4,128.8	11,538.8
Deficit	41.1	263.0	336.3	1,878.8

*) Budgetary year: calendar year.

1) Estimate.

The restructuring of the taxation system introduced after the 1989 revolution aimed at modernization. The profit transfers which had previously been compulsory were replaced by a tax on profits, and a graduated tax on wages and income replaced the payroll tax. A value added tax system to replace the turnover tax was introduced in the middle of 1993 at a uniform rate of 18 %. For social reasons, however, certain goods and services considered to be of crucial importance for the population were exempt.

13.2 CENTRAL GOVERNMENT BUDGET REVENUE*

Budget item	1991	1992	1993	1994 ¹	
	Mrd. l				%
Total	496.8	1,363.9	3,792.5	9,660.0	100
Current revenue	490.6	1,342.6	.	9,654.5	99.9
Tax revenue	479.4	1,291.8	.	9,440.3	97.7
Direct taxes	278.9	789.4	.	4,446.1	46.0
Tax on income/profits	104.9	315.7	750.3	2,071.0	21.4
Wage tax	172.2	457.7	1,093.2	2,316.0	24.0
Indirect taxes	200.5	502.5	.	4,994.2	51.7
Turnover tax and excise duties	182.5	418.5	1,470.0	.	.
Customs duties	16.6	78.9	269.3	596.0	6.2
Non-tax revenue	11.2	50.8	.	214.2	2.2
Capital revenue	6.2	21.2	.	5.5	0.1

*) Budgetary year: calendar year.

1) Estimate.

The preliminary estimate of central government budgetary expenditure for 1994 reflects general inflationary expectations. For total expenditure, an increase of almost 180 % over the previous year's figure was planned. With a cutback in the deficit to 3.5 % of gross domestic product at the instigation of the International Monetary Fund (IMF), this preliminary estimate might nevertheless be called an economy budget. Two key features are defence and debt servicing, each accounting for just under 11 % of total expenditure.

13.3 CENTRAL GOVERNMENT BUDGETARY EXPENDITURE BY SELECTED FIELD*

Field	1991	1992	1993	1994 ¹	
	Mrd. l				%
Total	537.9	1,626.9	4,128.8	11,538.8	100
Social welfare and culture	187.1	474.8	1264.7	3,040.4	26.3
Of which:					
Public health	62.1	153.0	365.1	1,006.3	8.7
Education	77.8	209.3	605.6	1,181.7	10.2
Art and culture	3.0	8.4	21.9	77.2	0.7
Child allowances	31.5	57.6	160.9	.	.
National economy	189.4	654.1	1,507.8	3,599.3	
Of which:					
Agriculture, forestry and water supply industries, environment	35.8	217.2	.	1,207.4	10.5
Mining, energy, metal and chemical industries	96.9	326.7	.	.	.
Transport and communications	12.4	26.2	.	648.7	5.6
Government capital expenditure	15.4	48.9	173.4	591.8	5.1
Law and order	19.7	58.1	219.7	701.5	6.1
Defence	78.3	195.7	419.6	1,260.3	10.9
Transfers	41.4	169.6	.	.	.
Debt servicing	-	6.5	.	1,240.6	10.8

*) Budgetary year: calendar year.

1) Estimate.

In the 1980s, the Romanian leadership insisted on trying to wipe out its foreign debts as thoroughly and as quickly as possible at the expense of the population's standard of living and of the maintenance and modernization of the country's fixed assets. Foreign debts were their lowest ever in 1989: at US-\$ 1,100 million, total debts were 63 % lower than in the previous year. In the following years, there was a further increase in foreign debts, to US-\$ 3,500 million in 1992, for example. 29 % of the total amount was owing to the IMF alone.

13.4 FOREIGN DEBTS*

(Mill. US-\$)

Survey item	1988	1989	1990	1991	1992
Total	2,960	1,087	1,173	2,152	3,520
Long-term debts ¹	2,116	199	263	355	1,322
Official creditors	1,427	199	256	316	1,159
Multilateral loans (normal loans)	761	0	0	27	690
IBRD ²	761	0	0	3	210
Bilateral loans	665	199	256	289	468
Preferential loans	204	199	256	237	240
Private lenders	690	0	7	39	163
Commercial banks	558	0	0	0	0
Short-term debts	700	888	910	987	1,166
IMF ³ loans	144	0	0	809	1,032

*) As at the end of the year.

1) Including state-guaranteed debts.

2) International Bank for Reconstruction and Development.

3) International Monetary Fund.

14. WAGES AND SALARIES

Although wages and salaries increased after the 1989 revolution, in many cases by a substantial amount, nominal increases were in general nowhere near high enough to offset the simultaneous rapid devaluation of the Romanian currency. Whereas the nominal earnings of wage- and salary-earners rose by almost 500 % between 1990 and 1992, real earnings fell by 28 % over the same period. Pensioners fared even worse, over the same period losing around 10 % more of their income in real terms. According to the most recent figures, the income situation in general improved somewhat for the first time in many years in 1994, when average wage increases were higher than the rate of inflation. In September, average real-term net wages and salaries were 4 % higher than in September 1993.

14.1 INDEX OF NOMINAL AND REAL EARNINGS*

(1980 = 100)

Year	Wage-and salary-earners	Of which: manual workers	Agricultural workers ¹
Nominal earnings			
1985	126.3	126.6	143.7
1990	151.2	152.0	199.6
1991	334.6	330.5	400.3
1992	903.5	886.8	921.6
Real earnings			
1985	95.9	96.0	105
1990	100.5	101.0	107
1991	83.2	82.2	98
1992	72.4	71.0	76

*) Annual average

1) Referred to in national source as "total farming community".

Between 1980 and 1992, there was an almost eightfold increase in the average net monthly earnings of wage- and salary-earners. In 1980 the earnings of agricultural workers had been around 39 % below average, but with a slightly above-average increase after that date, by 1992 the difference between their earnings and average net monthly earnings had fallen to around 37 %.

14.2 AVERAGE NET MONTHLY EARNINGS*

(Lei)

Survey item	1980	1985	1990	1991	1992
Wage-and salary-earners	2,238	2,827	3,384	7,489	20,220
Of which:					
Manual workers	2,169	2,746	3,296	7,169	19,235
Agricultural workers	1,373	1,973	2,740	5,496	12,653

*) Annual average.

Between December 1993 and June 1994, the average net monthly earnings of wage- and salary-earners rose by 29 % to a little over 130,000 lei. Top of the list of selected branches of economic activity were the energy and water supply industries together with financial intermediation and insurance, whose monthly earnings were 68 % and 64 % respectively above average. In education and agriculture, however, earnings were 15 % and 14 % respectively below average.

14.3 AVERAGE NET MONTHLY EARNINGS OF WAGE- AND SALARY-EARNERS BY SELECTED AREA OF ECONOMIC ACTIVITY/BRANCH*

(Lei)

Area of economic activity/branch	1991	1992	1993 ¹	1994 ²
Total	7,489	20,220	101,331	131,134
Agriculture	6,742	17,033	89,491	112,497
Industry	7,503	20,565	102,430 ^a	139,121
Electricity, gas and water supply	10,020	30,947	174,228	219,742
Mining and quarrying	10,883	31,700	174,152	.
Manufacturing	7,088	18,852	94,906	.
Construction	7,981	21,347	99,333	143,575
Wholesale and retail trade	6,846	17,629	88,452	105,421
Hotels and restaurants	5,872	14,460	86,776	97,765
Transport	8,850	25,218	131,239	144,910
Financial intermediation and insurance	8,526	29,778	.	215,231
Education	7,408	18,732	86,503	111,115
Health and social work	7,983	19,757	86,509	115,159
Public administration	8,565	20,971	93,639	124,843
Defence				

*) Annual average. As from 1991, breakdown according to the NACE (Statistical Classification of Economic Activities in the European Community).

1) As at: December. - 2) As at: June. - a) Excluding gas, electricity and water supply.

14.4 PRINCIPAL MONTHLY EARNINGS OF EMPLOYEES BY SELECTED OCCUPATION*

(Lei)

Area of economic activity/branch, occupation	1985 - 1986 ¹	1990	1991	1992
Agriculture and forestry				
Foremen	4,230	4,560	13,072	48,426
Agricultural workers	2,114	2,794	7,167	26,251
Foresters	2,412	2,522	8,797	25,064
Woodcutters	2,946	2,747	9,600	23,714
Mining and quarrying				
oal mining				
Miners	2,740	5,681	19,349	93,198
Extraction of petroleum and natural				
gas engineers				
Petroleum and natural gas				
engineers	3,850	4,220	17,979	80,341
Other mining and related activities				
Quarrymen	2,375	2,649	8,491	36,490
Manufacturing				
Foodstuffs				
Butchers	2,434	2,434	8,675	37,142
Dairy workers (skilled)	2,199	2,610	11,189	29,844
Millers	2,199	2,610	11,189	34,370
Wearing apparel and footwear				
Wearing apparel				
Cutters	2,111	2,649	13,086	38,420
Footwear				
Machine operators, cutting, laster				
and machine operators, stitching	2,238	2,551	10,042	26,650
Paper industry				
Pulp grinders	2,580	2,991	12,492	30,685
Leather indusry (excluding				
footwear)				
Tanners	2,659	2,903	13,347	29,377
Iron and steel production				
Steelworkers, skilled	2,688	3,108	12,123	32,161
Workers in hot rolling mills	2,688	3,108	12,193	38,760

(continued on next page)

14.4 PRINCIPAL MONTHLY EARNINGS OF EMPLOYEES BY SELECTED OCCUPATION* *(continued)*

(Lei)

Area of economic activity/branch, occupation	1985 - 1986 ¹	1990	1991	1992
Manufacture of hardware				
Machine setters	2,717	3,216	11,077	34,530
Welders	2,717	3,216	11,077	43,397
lectrical engineering				
Electronic engineers	2,912	3,314	13,776	45,410
Construction industry				
Reinforced concrete workers	2,942	2,932	13,779	34,532
Energy				
Power station engineers	3,680	4,050	21,600	63,340
Distributive trade, financial intermediaries				
Retail trade				
Sales persons	2,290	2,680	12,000	22,627
onetary intermediation				
Bank cashiers	2,040	2,425	9,631	37,980
Accounting machine operators	2,040	2,425	9,631	31,017
Transport				
Railways				
Chief guards	4,030	4,390	16,118	49,884
Passengers transport by road				
System managers	4,230	4,560	20,702	44,378
Air transport				
Air traffic controllers	1,810	3,175	13,276	50,538
Communications				
Postmen	2,040	2,425	8,800	23,845
Public services				
General administration				
Programmers	3,680	4,050	11,880	31,241
Office staff	2,040	2,485	8,590	22,203
Education				
Teachers (primary school)	2,290	2,680	8,990	30,502
Teachers (middle school)	3,060	3,420	10,690	37,192
Teachers (secondary school)	5,610	5,860	16,250	50,994

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14.4 PRINCIPAL MONTHLY EARNINGS OF EMPLOYEES BY SELECTED OCCUPATION* *(continued)*

(Lei)

Area of economic activity/branch, occupation	1985 - 1986 ¹	1990	1991	1992
Health services				
General practitioners	3,520	3,880	12,905	52,682
Dentists	2,690	3,065	9,900	37,047
Nursing staff	2,225	2,615	8,760	35,059
Hotel and restaurants				
Hotel receptionists	2,290	2,680	9,986	25,885
Cooks	2,160	2,550	9,514	23,134
Waiters	1,865	2,210	8,238	22,544
Room service staff	1,400	2,014	7,435	22,417

*) October.

1) Average monthly earnings.

15. PRICES

An important feature of Romania's economic system before the change of regime had been central price formation. As there was no market in the Western sense of the term, prices were calculated administratively and imposed by the State Committee for Prices. Insufficient account was therefore taken of the relative shortages of goods. In the consumer goods sector, where there were increasing difficulties in supplying the population, this led (since prices were officially more or less stable) to supply shortfalls and the creation of black markets.

Price formation was based on a sector's average costs, even though it was not possible to determine these fully. "Scarce" goods (e.g. motor vehicles) were subject to price supplements in order to curb demand. The instrument used for this purpose was the graduated turnover tax applied to the various groups of goods. Basic foodstuffs (provided they were of Romanian origin) and housing were relatively cheap, while industrial goods of any kind and imported goods were expensive. Price formation was based not on economic criteria alone, but also to a large extent on political objectives. In the past, the prices of raw materials in particular were kept down by state subsidies, with even the final prices being lower than if they had been based on a genuine cost calculation. Reform measures brought very little change in this centralism. It was not possible to find more realistic valuation standards and more elastic price formation mechanisms.

As in other socialist countries, a distinction was made in Romania between "producer prices" (i.e. wholesale prices), "delivery prices" (for goods traded between enterprises) and "retail prices" (for consumer goods). In addition, there were special tariffs for services. A further distinction was made between fixed prices or tariffs, which were not subject to change, and limited prices, which represented maximum prices but could be adjusted downwards. Prices and tariffs could be uniform throughout the country but could also be varied from region to region.

There was free, market price formation only on the "farmers' markets", where private farmers sold their produce. In the 1970s free price formation was restricted here too by the setting of guide prices, from which actual prices were supposed to diverge to a limited extent only.

After the revolution, price liberalization was introduced in November 1990, involving the freeing of many prices and the raising of prices that were still tied. Even this partial liberalization led to substantial rises in consumer prices. The reforms continued with increases in May 1992 in those few prices which were still tied, i.e. basic foodstuffs, household gas and electricity and public transport. By the beginning of 1993, the price reforms were completed with the abolition of the last state subsidies.

These successive price adjustments and price liberalization led to enormous bouts of inflation in Romania. In the fourteen months between October 1990 and December 1991, the cost-of-living index rose by a total of 345 %. Over the next twelve months, the inflation rate measured by that same index was just under 200 %. In the following year, with a rise of almost 300 %, Romania had one of the highest inflation rates of the Central and Eastern European transition countries. During 1994, however, there was a noticeable slowdown in inflation, with the cost-of-living index rising by only 42 % up to August. It was therefore expected that Romania would be below the 75 % inflation target agreed with the International Monetary Fund for 1994.

Over the period October 1990 to August 1994 as a whole, the cost-of-living index rose over 70 fold. The prices of foodstuffs rose by a factor of about 80 and of services by about 60.

15.1 COST-OF-LIVING INDEX *

(October 1990 = 100)

Index group	1991	1992	1993	1994 ¹
Total	444.5	1,330.0	5,259.0	7,468.0
Foodstuffs	490.5	1,568.0	5,820.3	8,192.1
Consumer goods	418.7	1,212.0	5,194.1	7,273.8
Services	398.2	1,046.0	4,004.5	6,154.6

*) As at December.

1) As at August.

15.2 AVERAGE RETAIL PRICES OF SELECTED GOODS*

(Lei)

Product	Unit	1990	1991	1992
Beef				
on the bone	1 kg	43.00	190.80	628.00
off the bone	1 kg	79.80	342.40	1,142.00
Pork chop	1 kg	70.00	422.80	1,107.20
Mutton	1 kg	30.00	117.70	347.50
Ham, cooked	500 g	36.15	192.63	500.95
Chicken, oven-ready	1 kg	30.00	97.60	415.20
Bacon	250 g	6.25	21.33	112.10
Pork on the bone	1 kg	38.00	245.00	667.70
Lamb, leg	1 kg	40.00	135.25	365.40
Hen's eggs	12 p	19.80	73.20	286.80
Cows'milk				
Pasteurized	1 l	4.50	10.00	16.00
Unpasteurized	1 l	11.50	20.60	64.60
Butter	250 g	13.87	29.37	62.00
Cheddar cheese	250 g	18.00	98.00	283.00
Margarine	250 g	6.25	16.10	69.10
Dripping	500 g	10.00	32.60	100.50
Olive oil	1 l	79.00	104.70	223.00
White bread, baguette	250 g	1.25	7.25	32.38
Wheat flour, refined	1 kg	7.00	25.90	-
Rice, long grain	1 kg	15.00	40.50	264.90
Potatoes	1 kg	9.10	39.60	86.20
Cabbage	1 kg	7.15	13.10	62.00
Onions	1 kg	10.60	47.00	67.90
Lemons	500 g	9.50	91.95	185.40
Oranges	1 kg	19.50	297.90	388.20
Grapes	1 kg	21.80	47.70	112.10
Apples	1 kg	13.70	35.20	81.30
Tomatoes	1 kg	14.20	35.40	63.70
Bananas	1 kg	30.50	241.40	379.10
Aubergines	1 kg	17.20	46.90	114.40
Milk chocolates	100 g	11.70	45.90	142.40
Sugar, refined	1 kg	14.00	32.00	192.50
Salt	250 g	1.35	3.35	11.58
Coffee beans, roasted	500 g	209.30	390.55	693.40
Tea	100 g	4.00	13.10	-

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15.2 AVERAGE RETAIL PRICES OF SELECTED GOODS* *(continued)*

(Lei)

Product	Unit	1990	1991	1992
Beer, in cans and bottles	0,33 l	5.08	15.71	45.71
Red wine	l l	35.00	149.20	360.93

*) October

The prices of agricultural produce rose relatively little in the 1980s. In 1989, the prices of animal and vegetable products were only 0.2 % and 0.9 % respectively above the previous year's average. The prices of the most important types of meat remained unchanged, and for tomatoes they fell by 3.5 %. After that, they shot up. By 1992, the prices of both animal and vegetable products had risen almost fourfold over the previous year's prices.

15.3 PRICE INDEX OF SELECTED AGRICULTURAL PRODUCTS*

(1980 = 100)

Product	1988	1989	1990	1991	1992
Animal products	129.8	130.0	207.9	452.6	1,706.3
Beef	139.1	139.1	225.3	441.0	2,077.5
Pork	129.9	129.9	235.2	531.4	2,149.6
Mutton	143.3	143.3	273.4	646.4	2,403.2
Poultry	107.1	107.1	146.0	496.8	1,837.5
Hens'eggs	117.7	117.7	125.5	337.3	1,121.7
Cows'and buffalo milk	124.5	124.5	262.9	480.1	1,455.3
Honey	100.0	100.0	185.5	600.1	1,472.0
Wool, unwashed	172.4	175.2	260.3	424.1	686.6
Plant products	127.6	127.9	202.1	704.9	2,251.5
Wheat, rye	128.6	129.8	160.4	558.5	2,164.6
Maize	135.6	137.2	290.7	913.5	3,258.3
Tomatoes	185.9	179.4	343.2	834.6	1,499.0
Onions, dried	111.3	111.3	192.9	1,275.3	2,365.8
Cabbage	212.5	212.5	453.5	1,328.2	4,983.5
Potatoes, total	99.1	99.1	202.0	1,441.0	4,095.4
Apples	120.2	120.2	187.3	730.9	1,690.6
Cherries, morello	154.7	154.7	221.7	626.0	1,366.6
Plums	166.2	166.2	246.3	1,131.0	2,176.1
Grapes	108.2	108.2	282.9	774.4	1,595.3

*) Annual average

The following table shows changes in the average prices of selected agricultural products on the markets of 95 towns in Romania. There were enormous rises between May 1990 and May 1993. Whilst the prices of apples and beans rose relatively little - only ten- to eleven-fold - the prices of tomatoes and carrots rose by a factor of 17 to 19.

15.4 AVERAGE PRICES OF SELECTED AGRICULTURAL PRODUCTS ON TOWN MARKETS*

Product	Unit	1990	1992	1993
Cattle, live				
Beef cattle	1 kg	33.33	.	.
Pigs				
for breeding, under 2 months	1 pig	1,105.61	4,830.72	8,036.45
Sheep	1 kg	47.88	.	.
Hens	1 kg	.	308.30	917.04
Turkeys	1 kg	100.81	402.86	1,108.03
Geese	1 kg	.	318.01	878.08
Ducks	1 kg	.	313.07	1,030.00
Slaughter animals, pigs	1 kg	51.82	193.45	606.50
Beef	1 kg	.	398.36	1,287.56
Pork	1 kg	.	424.22	1,288.27
Lamb	1 kg	.	289.90	804.60
Hens'eggs	1 St	2.03	10.31	32.90
Milk, sweetened	1 l	11.58	45.89	156.44
Evaporated milk (cream)	1 kg	60.72	269.10	823.66
Fresh cows'milk	1 kg	47.32	224.01	739.86
Ewes'milk cheese	1 kg	67.37	329.94	1,097.81
Honey	1 kg	89.54	565.72	1,075.80
Wheat	1 kg	7.57	28.23	116.02
Maize	1 kg	7.92	27.12	114.64
Potatoes				
Summer harvest	1 kg	14.02	.	.
Winter harvest	1 kg	7.40	80.75	141.95
Onions				
Green	1 kg	15.01	112.59	165.10
Dried	1 kg	7.87	105.22	62.68
White cabbage, early harvest	1 kg	14.21	67.92	245.05
Beans, dried	1 kg	27.40	91.51	295.32
Tomatoes	1 kg	41.62	277.97	715.88

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15.4 AVERAGE PRICES OF SELECTED AGRICULTURAL PRODUCTS ON TOWN MARKETS* (continued)

Product	Unit	1990	1992	1993
Peppers, green	1 kg	92.02	.	.
Spinach	1 kg	7.80	70.45	150.52
Lettuce, green	1 kg	12.80	94.15	216.82
Garlic, dried	1 kg	29.82	505.58	951.58
Cucumbers, fresh	1 kg	33.56	150.99	390.30
Carrots and parsley	1 kg	27.37	85.09	516.92
Apples	1 kg	16.52	92.43	171.08
Strawberries	1 kg	38.95	.	.
Nuts, with shell	1 kg	41.92	.	.

*) In 95 towns, as at May.

15.5 PRICE INDEX OF SELECTED SERVICES*

(October 1990=100)

Kind of service	1991	1992	1993
Total	309.6	856.0	3,632.5
Cinema, theatre, museum	330.1	932.4	3,197.8
Motorcar and electronic repairs	417.7	1,187.0	4,381.6
Medical care	438.7	909.9	3,423.9
Beauty treatments and cosmetics	343.4	983.5	4,233.5
Urban transport	566.1	1,383.0	4,753.9
Regional transport	586.6	1,227.0	3,847.7
Postal deliveries and telegraph services	318.4	824.3	2,458.2
Public utilities	456.0	1,397.0	6,146.0

*) Annual average

15.6 PRICES OF SELECTED ENERGY PRODUCTS*

(Lei)

Product	Unit	1988	1989	1990	1991	1992
Crude oil	1 t	2,000	2,000	2,000	7,000	24,100
Petrol 96-98 octane						
Industry	1 l	9	9	9	15	130
Private consumption	1 l	9	9	9	15	130 ^a
Diesel						
Industry	1 l	2.45	2.45	2.45	12	90
Private consumption	1 l	7	7	7	12	90 ^a
Heating oil, light						
Industry	1 t	1,950	1,950	1,950	4,220	37,000
Private consumption	1 t	2,150	2,150	2,150	2,150	2,150
Natural gas	1 000 m ³	1,000- 1,300	1,000- 1,300	1,000- 1,300	1,000	1,000
Liquified gas	1 bottle ¹	35	35	35	35	35
Brown coal (lignite)						
Industry	1 t	195	195	206	371	2,736
Private consumption	1 t	375	375	375	375	375
Electricity						
Industry	1 kWh	0.49	0.49	0.49	1.46	9.50
Private consumption	1 kWh	0.65-3.0	0.65-2.5	0.65	0.65	0.65

*) 1 January

1) 12.5 kg.

a) Prices as from 40 l.

16. NATIONAL ACCOUNTS

Romania's national accounts are compiled by the Central Statistical Board of Romania, Bucharest, and published in both national and international sources. The tables below are based mainly on national publications. There is also an overview of changes in gross domestic product in both current and constant prices and of the generation and use of GDP. The national accounts are compiled largely in accordance with United Nations recommendations (A System of National Accounts and Supporting Tables - SNA - New York 1964 or the 1968 revised version), but owing to some divergences in the definitions and delimitations, differences in the baseline statistics, peculiarities in the legal and economic systems, etc., care must be taken if comparisons are made with the national accounts of Germany or other countries. For an explanation of the terms used, reference should be made to the national accounts of the Federal Republic of Germany in the Statistisches Jahrbuch 1994 (page 677 et seq.). By and large, these terms correspond with the United Nations recommendations.

Gross domestic product (at constant prices) began to decline as long ago as 1987, but fell even more sharply in the early 1990s as a result of the upheavals arising from the restructuring of the economy. Annual rates of decline increased steadily between 1990 and 1992 from -7.1 % to -14.9 %. Positive real-term growth in GDP - 1 % - was not recorded again until 1993. According to provisional data from the Romanian statistical authorities, the increase was up to 3.4 % in 1994. However, this rise, like the previous year's, is due largely to an increase in stocks. In 1993, the nominal value of the increase in stocks was 2.6 billion lei, approximately 14 % of that year's GDP (cf. Table 16.3).

16.1 GROSS DOMESTIC PRODUCT AT MARKET PRICES

Year	Gross domestic product at market prices			Prices components	Inhabitants
	In current prices	In 1987 prices			
		Total	Per capita		
	Mrd. l		l			1987 = 100
1980	616.9	704.4	31,728	87.6	96.8
1985	817.4	823.3	36,229	99.3	99.2
1988	857.0	842.7	36,553	101.7	100.4
1989	800.0	793.2	34,261	100.9	101.0
1990	857.9	737.1	31,762	116.4	101.3
1991	2,198.9	638.1	27,522	344.6	101.2
1992	5,982.3	543.1	23,832	1,101.5	99.4
1993	18,835.2	548.5	24,099	3,433.9	99.2
Change vers previous year/annual average growth rate, %					
1989	- 6.7	- 5.9	- 6.3	- 0.8	+ 0.6
1990	+ 7.2	- 7.1	- 7.3	+ 15.4	+ 0.3
1991	+ 156.3	- 13.4	- 13.3	+ 196.1	- 0.1
1992	+ 172.1	- 14.9	- 13.4	+ 219.6	- 1.8
1993	+ 214.8	+ 1.0	+ 1.1	+ 211.7	- 0.2
1980/85 A	+ 5.8	+ 3.2	+ 2.7	+ 2.5	+ 0.5
1985/90 A	+ 1.0	- 2.2	- 2.6	+ 3.2	+ 0.4
1990/93 A	+ 180.0	- 9.4	- 8.8	+ 209.0	- 0.7

Since the end of the 1980s, there has been a radical change in the shares which the different areas of the economy contribute to GDP. The sharp decline in the share of manufacturing is attributable mainly to the rapid contraction in the output of heavy industry, whilst the fall in light industry output was less steep than the average. With the general decline in capital investment, there was a noticeable drop in the construction industry's share. In contrast, wholesale and retail trade, hotels and restaurants have seen a substantial increase, as has agriculture.

Even in 1994, some 35 % of total GDP came from private enterprises, most of them in agriculture (32 % in 1993).

16.2 GENERATION OF GROSS DOMESTIC PRODUCT AT MARKET PRICES

Year	GDP at market prices	Agricul- ture and forestry	Industry	Of which:		Distri- butive trade, hotels, etc.	Transport and commu- nications	Other
				Manu- facturing	Constru- ction			
At current prices (Mrd.l)								
1980	616.9	78.0	379.7	332.3	47.4	36.4	43.6	79.2
1985	817.4	114.3	503.5	445.6	57.9	39.9	55.4	104.3
1988	857.0	115.6	532.1	471.7	60.4	46.9	60.3	102.1
1989	800.0	113.3	477.1	433.2	43.9	51.2	60.7	97.7
1990	857.9	155.2	481.1	435.1	46.0	58.0	54.4	109.2
1991	2,198.9	412.2	1,056.9	952.5	104.4	310.5	138.4	280.9
1992	5,982.3	1,130.2	2,934.9	2,673.9	261.0	790.0	382.5	744.7
Change over previous year/annual average growth rate, %								
1989	- 6.7	- 2.0	- 10.3	- 8.2	- 27.3	+ 9.2	+ 0.7	- 4.3
1990	+ 7.2	+ 37.0	+ 0.8	+ 0.4	+ 4.8	+ 13.3	- 10.4	+ 11.8
1991	+ 56.3	+ 65.6	+ 19.7	+ 18.9	+ 127.0	+ 435.3	+ 154.4	+ 157.2
1992	+ 72.1	+ 74.2	+ 77.7	+ 80.7	+ 150.0	+ 154.4	+ 176.4	+ 165.1
1980/85 A	+ 5.8	+ 7.9	+ 5.8	+ 6.0	+ 4.1	+ 1.9	+ 4.9	+ 5.7
1985/90 A	+ 1.0	+ 6.3	- 0.9	- 0.5	- 4.5	+ 7.8	- 0.4	+ 0.9
1990/92 A	+ 64.1	+ 69.9	+ 47.0	+ 47.9	+ 138.2	+ 269.1	+ 165.2	+ 161.1
%								
1980	100.0	12.6	61.5	53.9	7.7	5.9	7.1	12.8
1985	100.0	14.0	61.6	54.5	7.1	4.9	6.8	12.8
1988	100.0	13.5	62.1	55.0	7.0	5.5	7.0	11.9
1989	100.0	14.2	59.6	54.2	5.5	6.4	7.6	12.2
1990	100.0	18.1	56.1	50.7	5.4	6.8	6.3	12.7
1991	100.0	18.7	48.1	43.3	4.7	14.1	6.3	12.8
1992	100.0	18.9	49.1	44.7	4.4	13.2	6.4	12.4

At the end of the 1980s and beginning of the 1990s, there was a sharp fall in the share of gross domestic product at market prices which was used for gross fixed capital formation. The share of general government consumption rose considerably, along with that of private consumption, although the latter fluctuated. The increase in the share which came under changes in stocks was particularly noticeable, most of it being accounted for by rises in "pithead" stocks which, as a result of the sweeping changes in the country's economy, became difficult, or even impossible, to sell.

16.3 USE OF GROSS DOMESTIC PRODUCT AT MARKET PRICES

Year	GDP at market prices (col.6+7-8)	Private consumption	Gen. govt. consumption	Gross fixed capital formation	Changes in stocks uses	Final domestic and services (col. 2 to 5)	Exports of goods	Imports
	1	2	3	4	5	6	7	8
At current prices (Mrd.l)								
1980	616.9 ^a	315.9	72.5	212.8	+	32.9	634.1	217.6
1985	817.4 ^a	408.4	83.5	246.3	+	23.6	761.8	187.2
1988	857.0 ^a	454.7	77.7	240.2	+	3.1	775.7	174.8
1989	800.0 ^a	463.4	93.1	238.9	-	24.6	770.8	168.9
1990	857.9 ^a	557.7	114.3	169.8	+	89.7	931.5	143.1
1991	2,198.9 ^a	1,305.0	331.8	314.0	+	325.0	2,275.8	363.8
1992	5,982.3 ^a	3,658.2	895.1	888.6	+	968.7	6,410.6	1,505.3
1993	18,835.2	14,756.0		2,521.4	+	2,647.3	19,924.7	4,282.0
							5,371.5	
Change over previous year/annual average growth rate, %								
1989	- 6.7	+ 1.9	+ 19.8	- 0.5	x	- 0.6	- 3.4	+ 14.3
1990	+ 7.2	+ 20.3	+ 22.8	- 28.9	x	+ 20.8	- 15.3	+ 67.5
1991	+ 56.3	+ 34.0	+ 90.3	+ 84.9	x	+ 44.3	+ 54.2	+ 09.3
1992	+ 72.1	+ 80.3	+ 69.8	+ 83.0	x	+ 81.7	+ 13.8	+ 18.8
1993	+ 14.8	.	.	+ 83.7	x	+ 10.8	+ 84.5	+ 75.9
1980/85 A	+ 5.8	+ 5.3	+ 2.9	+ 3.0	x	+ 3.7	- 3.0	- 9.1
1985/90 A	+ 1.0	+ 6.4	+ 6.5	- 7.2	x	+ 4.1	- 5.2	+ 7.7
1990/93 A	+ 80.0	+ 56.1 ^b	+ 79.8 ^b	+ 45.8	x	+ 77.6	+ 10.5	+ 89.2
%								
1980	100.0 ^a	51.2	11.8	34.5	5.3	102.8	35.3	40.1
1985	100.0 ^a	50.0	10.2	30.1	2.9	93.2	22.9	18.7
1988	100.0 ^a	53.1	9.1	28.0	0.4	90.5	20.4	13.5
1989	100.0 ^a	57.9	11.6	29.9	- 3.1	96.4	21.1	16.6
1990	100.0 ^a	65.0	13.3	19.8	10.5	108.6	16.7	25.9
1991	100.0 ^a	59.3	15.1	14.3	14.8	103.5	16.5	21.1
1992	100.0 ^a	61.2	15.0	14.9	16.2	107.2	25.2	32.5
1993	100.0	78.3		13.4	14.1	105.8	22.7	28.5

a) Including a statistical difference.

b) 1990/92 A.

17. BALANCE OF PAYMENTS

The balance of payments gives a summary picture of economic transactions between residents and non-residents. It is divided into the current account and the capital account. The current account shows the goods and services transactions and transfers that took place in the reference period. Transfers include the unrequited counterparts to goods and capital movements. The sum of the balances of trade in goods and services and transfers is the balance on current account. In the capital account, capital movements are usually shown as changes in holdings of the various types of assets and liabilities. The balance on capital account is an increase (+) or decrease (-) in net foreign assets.

Like any closed accounting system, the balance of payments must balance by definition. The following equation shows the mathematical relationship between the above-mentioned parts of the balance of payments:

$$\begin{aligned} & \text{Balance on current account} \\ &= \text{Balance on capital account} \\ & \quad (+ \text{Balancing items}) \end{aligned}$$

As a rule, mathematical signs are used only with balances (net figures) and changes in holdings. In the capital account, a plus sign in front of changes in holdings means in every case an increase in assets or liabilities and a minus sign a decrease therein. (Where balances are derived from changes in assets and liabilities, a plus sign means in every case an increase and a minus sign a decrease in net assets.)

The trends and structures shown in the balance of payments calculations diverge in many cases from foreign trade statistics and from the national accounts data on trade in goods and services. This is due on the one hand to the different additions, subtractions and conversions made to visible trade in the balance of payments and the national accounts, and on the other to conversions into different units of account which over the years have not maintained their reciprocal value ratios. Divergences from foreign trade statistics ("balance on current account" heading) may be attributed to such things as the conversion from cif to fob values, corrections and additions and conversions into different units of account. For these and other reasons, international comparisons are either not possible at all or only with caution.

The data shown below are based on publications of the International Monetary Fund/IMF (Balance of Payments Statistics), which in turn are based on official Bank of Romania (NBR) returns. The breakdown is broadly in line with the methodology set out in the IMF's "Balance of Payments Manual".

Since the policy of those in power at the time was to pay off foreign debts no matter what, the Romanian current balance showed enormous export surpluses towards the end of the 1980s. Along with the 1988 and 1989 surpluses of US-\$ 3,750 million and 2,050 million respectively, the invisibles balance was also positive, at US-\$ 170 million and 460 million respectively. As a result, the current account balances for these two years were positive, at US-\$ 3,920 million and 2,510 million respectively. After the revolution in the latter year, however, huge import surpluses were recorded, and on top of that the invisibles balance also moved into the red. Between 1990 and 1992, the current balances were negative, at between US-\$ 3,250 million and 1,010 million.

17.1 BALANCE OF PAYMENTS

(Mill. US-\$)

Survey item		1988	1989	1990	1991	1992
Current account balance						
Merchandise (fob values)	Exports	11,392	10,487	5,770	4,266	4,364
	Imports	7,642	8,437	9,114	5,372	5,558
Trade balance		+ 3,750	+ 2,050	- 3,344	- 1,106	- 1,194
Shipment ¹	Income	473	463	342	248	151
	Expenditure	381	392	573	415	419
Travel	Income	171	167	106	145	262
	Expenditure	33	35	103	143	260
Investment income	Income	173	181	175	104	54
	Expenditure	371	101	14	89	144
Other services	Income	206	204	162	287	246
	Expenditure	66	23	111	261	267
Total services	Income	1,023	1,015	785	784	713
	Expenditure	851	551	801	908	1,090
Services balance		+ 172	+ 464	- 16	- 124	- 377
Transfers	Private	.	.	.	+ 20	+ 19
	Official	.	.	+ 106	+ 198	+ 46
Transfers balance		.	.	+ 106	+ 218	+ 65
Current balance		+ 3,922	+ 2,514	- 3,254	- 1,012	- 1,506

(continued on next page)

17.1 BALANCE OF PAYMENTS *(continued)*

(Mill. US-\$)

Survey item	1988	1989	1990	1991	1992
Capital account (balances)					
Romanian direct investment abroad	.	.	+ 18	+ 3	+ 4
Foreign direct investment in Romania	.	.	.	- 40	- 77
Portfolio investment	-	-	-	-	-
Other capital					
Long-term capital					
of general government	-	-	-	- 133	- 924
of commercial banks	+ 3,619	+ 1,707	- 58	-	-
of other sectors	-	-	-	- 112	- 210
Short-term capital					
of general government	+ 400	- 169	- 529	+ 504	+ 159
of commercial banks	+ 204	- 162	- 1,044	- 112	+ 73
of other sectors	-	-	-	- 430	- 405
Other capital transactions ²	-	-	-	-	-
Counterpart to changes in reserves ³	- 26	- 3	- 9	+ 81	- 316
Monetary reserves ⁴	- 259	+ 1,255	- 1,486	- 758	+ 179
Capital balance	+ 3,938	+ 2,628	- 3,107	- 997	- 1,518
Balancing item	- 16	- 114	- 147	- 15	+ 12

*) 1 US-\$ = 1988: 14.28 lei; 1989: 14.92 lei; 1990: 22.43 lei; 1991: 76.39 lei; 1992: 307.96 lei.

1) Including insurance and freight.

2) Liabilities to foreign monetary authorities and state-backed borrowing to equalize the balance of payments.

3) Counterpart entries to the allocation of special drawing rights and the monetary authorities' gold transactions with residents and the offsetting of valuation-related changes in monetary reserves.

4) Changes in holdings, including valuation-related changes.

18. ENVIRONMENT

The industrialization programme implemented in Romania after the Second World War was geared mainly to developing vast, energy-intensive industrial complexes, in particular for the metallurgy, mechanical engineering and chemical industries. The environment was almost totally ignored. Industry accounted for up to two-thirds of the country's gross domestic product at some stages. Since energy and other inputs were held at artificially low prices with the help of enormous subsidies, these resources were squandered and the environment became seriously polluted. Agriculture, as well as industry, was responsible for polluting the soil and water, especially via nitrate emissions. During the Ceausescu era, there was very little public awareness of ecological problems.

Although two parties campaigning on an environmental ticket were set up and entered Parliament after the fall of Ceausescu, they were unable at first to initiate any radical improvements. With so many difficulties arising from the restructuring of the economy and of society in general, and a shortage of funds for expensive emergency measures, environmental problems continued to be largely neglected even after the revolution.

There have now, however, been enormous changes in the conditions under which industry operates. Subsidies have been abolished, the prices of energy and other means of production have been increased to actual cost price, and the rapid decline in industrial, more particularly heavy industrial, output has led to a sharp fall in pollution. Nevertheless, the government has continued to support uneconomic industrial concerns and thus to keep them in existence, which is undesirable from the economic as well as the ecological point of view.

In line with falling consumption (cf. Table 18.2), 43 % less fresh water was extracted in 1991 than in 1985. 62 % of the total volume used in that year came from inland rivers, 20 % from the Danube and 18 % from groundwater sources.

18.1 FRESH WATER EXTRACTION

(Mill. m³)

Origin	1980	1985	1991
Total	18,925	20,743	10,835
Surface water	17,032	18,893	8,887
Inland rivers	.	.	6,763
Danube	.	.	2,124
Groundwater	1,893	1,850	1,948

Although 66 % more fresh water was consumed by the public water supply utility in 1991 than in 1985, the volume used by industry fell by 46 % as a result of the collapse in industrial output. At the same time, there was a 73 % drop in the volume used for irrigation (including other consumers).

18.2 CONSUMPTION OF FRESH WATER

(Mill. m³)

Consumers	1980	1985	1991
Public water supply utility ¹	1,357	1,719	2,851
Industry	10,648	10,594	5,675
Irrigation	}	}	1,261
Other consumers			1,047

1) Including drinking water for industry.

18.3 POLLUTANTS DISCHARGED INTO NATURAL WATER COURSES

(Mill. t)

Type of pollutants	1987	1988	1989	1990	1991
Chloride	1.7	1.8	1.7	2.2	1.1
Suspended matter	1.3	1.6	1.0	0.8	0.9
Solid residues	1.8	2.1	1.7	1.5	2.0
Organic materials	1.0	1.0	0.6	1.0	0.8
Sulphates	0.2	0.2	0.1	0.2	0.1

In 1992, the local water authorities took a large number of samples which provide an overall picture of the quality of the water in the main Romanian rivers (including tributaries). A standardized distribution was used to divide the water courses into one of four quality categories. The highest quality was category I, considered suitable for central drinking water supplies. The poorest quality water is even more polluted than category III water, which in turn is usable for only a few, strictly defined purposes. The worst-quality water is unusable for most purposes and normally poses a threat to public health and the environment. Table 18.5 shows the exact criteria used to classify water into the different categories.

18.4 WATER QUALITY IN SELECTED RIVERS, 1992

(km)

Rivers	River's total length ¹	category I	Category II	Category III	Worse than Category III
Tisa	560	332	114	55	59
Somes	1,655	902	284	156	313
Crisu ²	1,044	189	807	48	-
Mures	2,351	1,148	981	-	222
Banat ³	1,029	749	199	-	81
Jiu	588	281	70	215	22
Olt	1,550	477	208	154	711
Vedea	802	194	410	101	97
Arges	1,985	1,147	246	313	279
Ialomita	928	287	130	54	457
Siret	2,656	1,291	341	294	730
Prut	1,421	522	320	289	290
Danube ⁴	1,221	982	239	-	-

1) Including tributaries.

2) Crisu-Negru, Crisu-Alb.

3) Bega, Caras, Birzava, Timis, Cerna, Nera.

4) Including Calmatui-Olt, Mostistea, Calmatui-Buzau.

18.5 WATER QUALITY CLASSIFICATION

(mg/l)

Pollutants	Category			Pollutants	Category		
	I	II	III		I	II	III
	Daily measurements				Weekly measurements		
DO ¹	6.0	5.0	4.0	Cadmium	0.003	0.003	0.003
Dust	750	1 000	1 200	Chromium	0.05	0.05	0.05
Chlorine	250	300	300	Copper	0.05	0.05	0.05
COD-Mn ²	10.0	15.0	25.0	Iron	0.3	1.0	1.0
Ammonium	1.0	3.0	10.0	Manganese	0.1	0.3	0.8
Nitrates	10.0	30.0	.	Nickel	0.1	0.1	0.1
Nitrogen dioxide	1.0	3.0	.	Lead	0.05	0.05	0.05
Phenol	0.001	0.02	0.05	Zinc	0.03	0.03	0.03
Cyanides	0.01	0.01	0.01				

1) Oxygen-enrichment.

2) Manganese bacteria.

In numerous industrial regions, drinking water is seriously polluted by industrial processes and a lack of facilities for disposing of the pollutants which result. In Bacau in particular, a centre for the extraction and processing of coal, petroleum and natural gas, 100 % (or virtually 100 %) of the water samples taken at the beginning of the 1990s regularly failed to come up to standard.

18.6 DRINKING WATER QUALITY IN SELECTED TOWNS

Town	District	Frequency of samples which did not come up to standard		
		1990	1991	1992
		%		
Bacau	Bacau	100.0	100.0	96.6
Oradea	Bihor	0.5	21.2	16.1
Padurea Neagra	Bihor	7.5	21.3	30.0
Marghita	Bihor	15.0	12.3	20.0
Bistrita-Nasaud	Bistrita-Nasaud	3.1	8.4	3.4
Calarasi	Calarasi	33.1	38.2	55.9
Oltenita	Calarasi	9.9	12.4	42.5
Câmpia Turzii	Cluj	18.0	20.0	23.5
Craiova	Dolj	0.6	1.4	1.9

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18.6 DRINKING WATER QUALITY IN SELECTED TOWNS *(continued)*

Town	District	Frequency of samples which did not come up to standard		
		1990	1991	1992
		%		
Galati	Galati	0.1	20.7	12.8
Tîrgu Jiu	Gorj	5.9	1.8	6.3
Iasi	Iasi	7.2	17.2	2.0
Hîrlău	Iasi	52.1	35.4	30.0
Pascani	Iasi	16.2	10.7	23.0
Tîrgu Frumos	Iasi	1.7	47.2	16.0
Baia Mare	Maramures	15.0	66.0	37.0
Cavnic	Maramures	3.2	42.0	38.0
Tîrgu Lăpus	Maramures	0.5	3.6	5.0
Drobeta-Turnu Severin	Mehedinti	25.3	5.6	11.7
Ludus	Mures	31.2	3.1	5.3
Slatina	Olt	21.1	28.8	2.5
Bals	Olt	33.1	56.6	45.0
Caracal	Olt	19.7	12.2	28.0
Suceava	Suceava	61.2	57.3	54.0
Turnu Măgurele	Teleorman	20.9	30.8	41.3
Alexandria	Teleorman	80.6	52.1	69.5
Tulcea	Tulcea	66.0	63.2	19.0
Măcin	Tulcea	72.7	88.2	30.5
Husi	Vaslui	2.0	7.0	7.0

In 1990 and 1991, there was a steady decline in emissions of carbon dioxide, sulphur dioxide and dust particles. Despite this, over 100 million tonnes of carbon dioxide were emitted even in 1991. After peaking in 1990, nitrogen oxide emissions fell in the following year to 1989 levels. These better figures result, however, primarily from cutbacks in production rather than improved environmental technology.

18.7 EMISSION OF SELECTED POLLUTANTS

(Mill. t)

Type of pollutant	1987	1988	1989	1990	1991
Carbon dioxide (CO ₂)	134.2	127.1	131.6	130.0	106.0
Sulphur dioxide (SO ₂)	1.8	2.4	1.6	1.5	1.2
Nitrogen oxide (NO _x)	0.3	0.2	0.7	0.9	0.7
Dust	0.6	0.7	0.7	0.6	0.4

The country's colossal energy industry is one of the branches causing the most serious pollution. In 1990 it accounted for 86 % of total emissions of sulphur dioxide, 40 % of nitrogen oxide and 36 % of all dust emissions. Metallurgy was responsible for 93 % of the total volume of 0.5 million tonnes of lead emitted.

18.8 POLLUTANTS EMITTED IN 1990, BY BRANCH

Branch	Sulphur dioxide (SO ₂)		Nitrogen oxide (NO _x)		Dust		Lead	
	1,000 t	%	1,000 t	%	1,000 t	%	1,000 t	%
Total	1,504	100	870	100	673	100	500	100
Energy	1,287	86	349	40	244	36	-	-
Metallurgy	67	5	44	5	75	11	464	93
Manufacturing	10	1	44	5	36	5	10	2
Chemicals and petrochemicals	69	5	9	1	12	2	21	4
Cement	2	.	5	1	141	21	-	-
Transport	31	2	63	7	-	-	3	1
Other	38	2	356	41	165	25	2	.

18.9 CONCENTRATION OF POLLUTANTS IN SELECTED TOWNS

(%)

Town	District	Frequency with which maximum permitted concentrations of pollutants are exceeded		
		1990	1991	1992
Sulphur dioxide (SO ₂)				
Zlatna	Alba	15.50	21.30	29.86
Baia Mare	Maramures	46.70	17.10	17.90
Valea Calugareasca	Prahova	19.90	.	9.98
Copsa Mica	Sibiu	16.70	8.16	4.85
Medias	Sibiu	5.00	0.78	1.09
Saru Dornei	Suceava	18.00	8.00	11.01
Ammonia (NH ³)				
Alba Iulia	Alba	.	15.50	5.35
Pitesti	Arges	.	51.60	38.00
Bacau	Bacau	7.80	6.98	23.03
Craiova	Dolj	12.70	6.88	4.88
Galati	Galati	5.80	.	5.2
Slobozia	Ialomita	1.4	3.33	9.76
Iasi	Iasi	.	4.75	7.00
Savinesti	Neamt	12.00	10.00	6.67
Brazi	Prahova	.	50.00	5.87
Tulcea	Tulcea	.	15.30	4.00
Rîmnicu Vîlcea	Vâlcea	16.30	26.00	14.70
Bucuresti	Bucharest	15.20	23.00	.
Sulphuric acid (H ₂ SO ⁴)				
Ploiesti	Prahova	48.00	50.00	30.50
Brazi	Prahova	.	50.00	2.33
Valcea Calugarească	Prahova	58.00	.	20.40
Lead (Pb)				
Baia Mare	Maramures	74.5	88.93	85.29
Hydrogen chloride (HCl)				
Moinesti	Bacau	22.40	12.60	1.70
Rîmnicu Vîlcea	Vîlcea	20.60	23.00	13.20

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18.9 CONCENTRATION OF POLLUTANTS IN SELECTED TOWNS

(continued)

(%)

Town	District	Frequency with which maximum permitted concentrations of pollutants are exceeded		
		1990	1991	1992
Dust				
Zlatna	Alba	47.20	51.85	63.80
Botosani	Botosani	100.00	100.00	34.04
Resita	Caras-Severin	1.10	9.88	13.79
Hunedoara	Hunedoara	28.00	59.40	54.23
Deva	Hunedoara	4.00	46.40	0.97
Calan	Hunedoara	10.00	42.00	95.65
Piatra Neamt	Neamt	75.00	61.00	60.50
Satu Mare	Satu Mare	13.00	3.00	60.00
Copsa Mica	Sibiu	15.70	5.63	7.52
Bucuresti	Bukarest	93.90	4.20	40.30

A sample survey showed that approximately 52 % of all trees were suffering leaf or needle loss. The most seriously affected were broadleaf trees, 53 % of which were damaged in this way, as opposed to 47 % of conifers.

18.10 FOREST DAMAGE, 1993*

Survey item	Unit	Total	Conifers	Broadleaf trees
Wooded area studied	1,000 ha	6,244	1,929	4,315
Trees studied	Number	235,179	47,288	187,891
Showing loss of leaves/needles	%	51.8	47.0	53.0
Slight loss	%	31.3	30.4	31.6
Medium loss	%	17.9	15.0	18.6
Serious/dead	%	2.6	1.6	2.8

*) Sample survey conducted since 1986 in the Member States of the Economic Commission for Europe (ECE, Geneva) under the Geneva Convention on Long-Range Transboundary Air Pollution.

The permanent effects of pollution have in many cases been lasting damage to the trees' metabolic processes, causing them to dry out and die. In the survey year, almost half a million hectares were affected. The total area was divided up by degree of dieback, from the early stage (up to 10 %) to the stage of serious damage (over 60 %). In 1992, the trees over around 4 % of the total area affected suffered the most serious level of dieback.

18.11 FOREST DAMAGE/DIEBACK IN SELECTED DISTRICTS, 1992*

(ha)

District	Wooded area affected				
	Total	by degree of damage			
		0 to 10 %	11 to 25 %	26 to 60 %	Over 60 %
Total	457,142	211,152	140,971	85,817	19,202
Conifers	50,600	19,115	23,067	4,899	3,519
Broadleaf trees	406,542	192,037	117,904	80,918	15,683
Alba	63,025	46,201	10,428	4,995	1,401
Conifers	2,193	900	600	570	123
Broadleaf trees	60,832	45,301	9,828	4,425	1,278
Arad	11,718	8	11,605	78	27
Conifers	111	-	111	-	-
Broadleaf trees	11,607	8	11,494	78	27
Arges	37,590	20,900	6,015	5,000	5,675
Conifers	-	-	-	-	-
Broadleaf trees	37,590	20,900	6,015	5,000	5,675
Botosani	26,918	14,283	10,987	1,648	-
Conifers	-	-	-	-	-
Broadleaf trees	26,918	14,283	10,987	1,648	-
Buzău	13,303	6,250	5,232	1,821	-
Conifers	4,120	1,910	2,210	-	-
Broadleaf trees	9,183	4,340	3,022	1,821	-
Caras-Severin	14,471	12,923	-	1,548	-
Conifers	6,376	6,261	-	115	-
Broadleaf trees	8,095	6,662	-	1,433	-
Dâmbovita	22,770	-	21,820	950	-
Conifers	-	-	-	-	-
Broadleaf trees	22,770	-	21,820	950	-

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18.11 FOREST DAMAGE/DIEBACK IN SELECTED DISTRICTS,

1992* (continued)

(ha)

District	Wooded area affected				
	Total	by degree of damage			
		0 to 10 %	11 to 25 %	26 to 60 %	Over 60 %
Gorj	27,538	-	14,545	9,860	3,133
Conifers	502	-	320	140	42
Broadleaf trees	27,036	-	14,225	9,720	3,091
Hunedoara	14,183	14,183	-	-	-
Conifers	-	-	-	-	-
Broadleaf trees	14,183	14,183	-	-	-
Maramures	22,080	10,000	7,186	3,612	1,282
Conifers	1,811	500	578	541	192
Broadleaf trees	20,269	9,500	6,608	3,071	1,090
Mehedinti	42,264	29,708	-	11,465	1,091
Conifers	398	312	-	76	10
Broadleaf trees	41,866	29,396	-	11,389	1,081
Neamt	14,983	5,458	6,325	1,200	2,000
Conifers	10,704	2,204	5,600	900	2,000
Broadleaf trees	4,279	3,254	725	300	-
Sibiu	20,110	2,297	9,282	5,840	2,691
Conifers	772	54	309	232	177
Broadleaf trees	19,338	2,243	8,973	5,608	2,514
Suceava	15,266	-	12,707	1,706	853
Conifers	14,666	-	12,107	1,706	853
Broadleaf trees	600	-	600	-	-
Tulcea	10,162	7,798	1,550	750	64
Conifers	-	-	-	-	-
Broadleaf trees	10,162	7,798	1,550	750	64
Vilcea	30,317	-	-	30,310	7
Conifers	-	-	-	-	-
Broadleaf trees	30,317	-	-	30,310	7

*) 10,000 hectares or more of wooded area affected.

18.12 NATURE PROTECTION, 1992

(ha)

Survey item	Number	Area
Nature protection areas	3	702,300
Danube delta	1	591,200
Retezat	1	54,400
Rodna	1	56,700
National parks	12	396,761
Domogled-Valea Cernei	1	60,100
Cheile Nerei	1	45,561
Apuseni	1	37,900
Bucegi	1	35,700
Semenic-Cheile Carasului	1	30,400
Nature reserves	571	151,206

Expenditure on environmental protection can be broken down into capital expenditure (30 % of total outgoings, cf. Table 18.13) and current expenditure (70 %). Some 85 % of expenditure went on preventive measures and pollution control, with 3 % each to research, development and training.

Manufacturing, the main culprit causing environmental pollution, contributed 49 % of total expenditure, with 23 % coming from municipal services and 9 % from the energy sector.

18.13 EXPENDITURE ON ENVIRONMENTAL PROTECTION IN 1992, BY BRANCH

(Mill. lei)

Branch	Total	Preventive measures and pollu- tion control	Nature protection	Research, develo- pment and training	Admin. expenditure
Total	67,635	57,224	2,044	2,202	6,164
Agriculture	1,348	1,058	252	35	1
Forestry	1,200	6	1,049	0	145
Mining, quarrying	5,085	4,910	134	34	7
Manufacturing	32,925	28,526	236	377	3,786
Energy	5,936	5,706	80	130	19
Transport	1,291	1,051	234	4	2
Public administration	2,256	192	2	4	2,058
Municipal services	15,775	15,487	45	98	145
Scientific research	1,519	-	-	1,519	-
N.e.s.	301	287	12	1	0

18.14 CAPITAL EXPENDITURE ON ENVIRONMENTAL PROTECTION IN 1992, BY BRANCH

(Million lei)

Branch	Total	Preventive measures and pollu- tion control	Nature protection	Research, develo- pment and training	Admin. expenditure
Total	20,261	18,607	1,109	200	346
Agriculture	409	321	61	27	-
Forestry	628	5	623	-	-
Mining, quarrying	2,183	2,061	113	9	-
Manufacturing	8,491	8,119	178	154	40
Energy	3,952	3,875	73	4	-
Transport	88	36	50	1	1
Public administration	312	25	-	-	287
Municipal services	4,160	4,137	0	5	18
N.e.s.	39	28	10	-	-

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